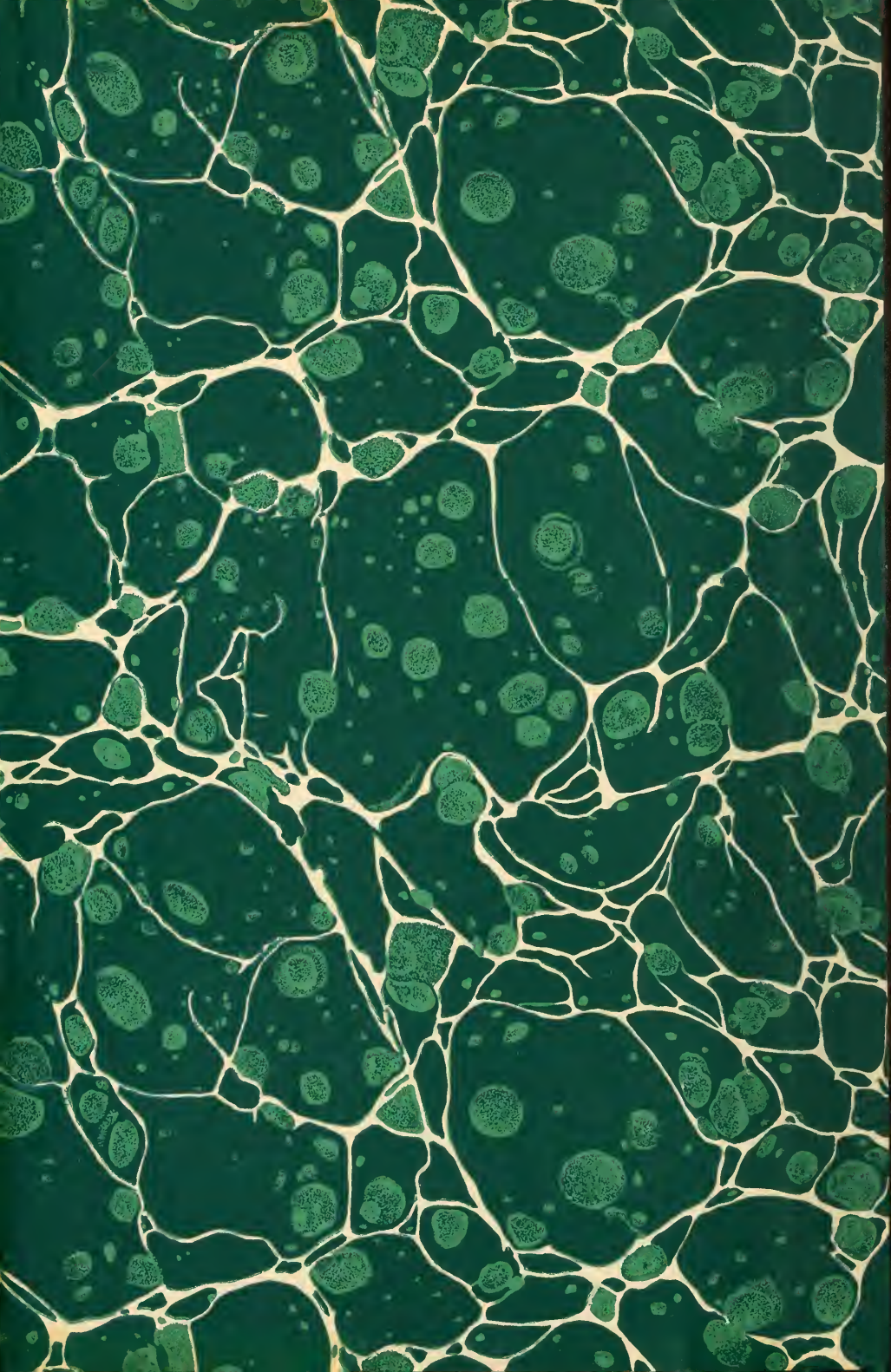
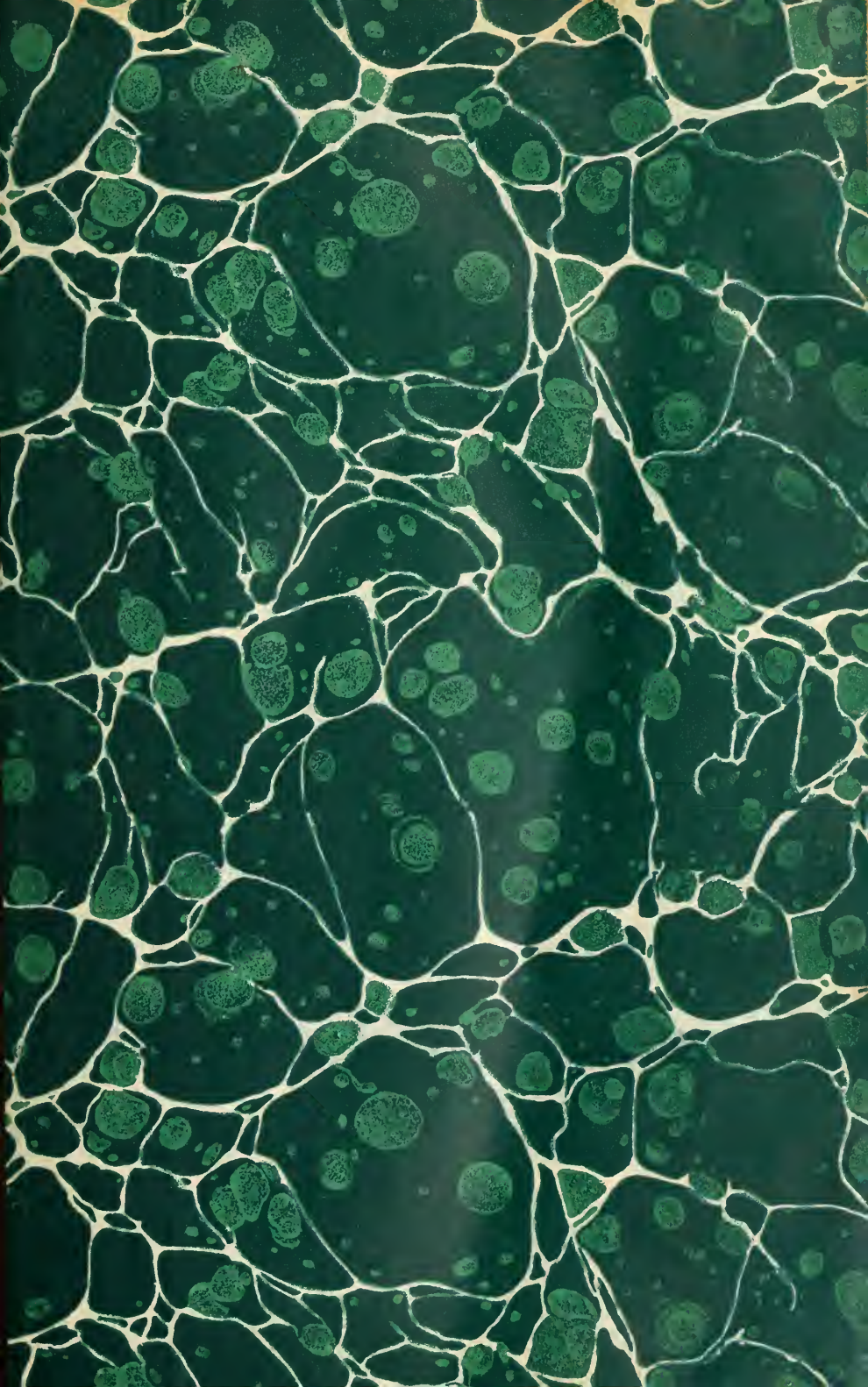


Item

9







PROVISIONS OF THE STATE CONSTITUTIONS
RELATING TO TAXATION

REPORT

TO THE

JOINT COMMITTEE ON INTERNAL
REVENUE TAXATION

PURSUANT TO

SECTION 1203 (b) (6), REVENUE ACT OF 1926

Printed for the
Examination and Use of the Members of the Committee

NOTE.—This report has been ordered printed for purposes of information and discussion, but it has not yet been considered or approved by the committee or any member thereof.



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON: 1938

JOINT COMMITTEE ON INTERNAL REVENUE TAXATION

SENATE

PAT HARRISON, Mississippi, *Chairman*
WILLIAM H. KING, Utah
WALTER F. GEORGE, Georgia
ROBERT M. LA FOLLETTE, Jr., Wisconsin
ARTHUR CAPPER, Kansas

HOUSE OF REPRESENTATIVES

ROBERT L. DOUGHTON, North Carolina,
Vice Chairman
THOMAS H. CULLEN, New York
MORGAN G. SANDERS, Texas
ALLEN T. TREADWAY, Massachusetts
FRANK CROWTHER, New York

BRYANT C. BROWN, *Secretary*

L. H. PARKER, *Chief of Staff*

G. D. CHESTEEN, *Assistant Chief*

COLIN F. STAM, *Counsel*

LETTER OF TRANSMITTAL

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON INTERNAL REVENUE TAXATION,
Washington, June 21, 1938.

To Members of the Joint Committee on Internal Revenue Taxation:

There is transmitted herewith a report of the Provisions of the State constitutions relating to Taxation, prepared by the staff of the committee.

This report contains the powers conferred, as well as the limitations or restrictions placed, upon the various taxing authorities of each State with respect to the imposition of taxes, as they are found in the respective State constitutions.

It is believed this report will be of interest to members of the committee and give easy access to information which is frequently of value.

Very truly yours,

PAT HARRISON,
Chairman, Joint Committee on Internal Revenue Taxation.

LETTER OF SUBMITTAL

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON INTERNAL REVENUE TAXATION,
Washington, June 20, 1933.

HON. PAT HARRISON,
*Chairman, Joint Committee on Internal Revenue Taxation,
Washington, D. C.*

MY DEAR MR. CHAIRMAN: Submitted herewith is a compilation or report of the constitutional provisions of the several States as of June 30, 1937, directly relating to, or which affect, taxation therein. These provisions will show the powers conferred, as well as the limitations or restrictions placed, upon the various taxing authorities with respect to imposition of taxes for State and local purposes.

The report is alphabetically arranged by States, and the taxing provisions for each State are grouped under five major divisions or sections, with appropriate subsections:

- A. Provisions having a general application.
- B. Provisions specifically applicable to State taxes.
- C. Provisions specifically applicable to county taxes.
- D. Provisions specifically applicable to municipal taxes.
- E. Provisions specifically applicable to political subdivisions and other taxing authorities.

The subsections under B, C, D, and E will show the several types of taxes specifically authorized to be imposed, as well as those prohibited or limited, by the States and political subdivisions, and will follow the same general order for each State.

In the foreword hereto will be found a collective discussion of some particular subjects of taxation which are common to a number of the States. This plan is adopted both for convenience and to avoid undue extension of the report. The subjects referred to are found in the table of contents.

Since the enactment of the Federal Social Security Act in 1935, a number of the States have deemed it necessary to amend their constitutions so as to be able to enact legislation to bring themselves within some of the benefit provisions of this act. These amendments will be found in an appendix to this report.

Acknowledgment is made to Mrs. Evelyne Turner of the staff of the committee for her valuable assistance in the preparation of this report.

Respectfully submitted.

W. L. WALLACE, *Attorney.*

Approved.

L. H. PARKER, *Chief of Staff.*

CONTENTS

	Page
1. Foreword:	
(a) Origin of revenue bills.....	IX
(b) Debt limitation.....	IX
(c) Taxes for religious purposes.....	IX
(d) Taxation of distilled and malt liquors.....	X
(e) Income and death taxes.....	X
(f) Franchise and license taxes.....	X
(g) Poll taxes.....	X
(h) Community property States.....	X
(i) Taxes for social security.....	X
2. Taxing provisions of the State constitutions:	

ALABAMA

A. General provisions.....	1
1. Legislative powers.....	1
2. Legislative limitations.....	1
3. Wife's separate estate.....	1
4. Other provisions having general application.....	1
B. Specific provisions (State).....	1
1. Property taxes.....	1
2. Income taxes.....	2
3. Death taxes.....	2
4. Franchise taxes.....	2
5. License and privilege taxes.....	3
6. Poll taxes.....	3
C. Specific provisions (counties):.....	3
1. Property taxes.....	3
D. Specific provisions (municipalities):.....	3
1. Property taxes.....	3
E. Specific provisions (other political subdivisions or taxing author- ities).....	4

NOTE.—Inasmuch as the States are alphabetically arranged and the constitutional taxing provisions will follow the same general order as that for Alabama, headings will not be repeated for other States in the table of contents; only the page will be given where each State may be found.

	Page		Page
Alabama.....	1	Nebraska.....	83
Arizona.....	5	Nevada.....	89
Arkansas.....	7	New Hampshire.....	86
California.....	11	New Jersey.....	88
Colorado.....	17	New Mexico.....	92
Connecticut.....	21	New York.....	94
Delaware.....	24	North Carolina.....	97
Florida.....	25	North Dakota.....	100
Georgia.....	30	Ohio.....	103
Idaho.....	33	Oklahoma.....	110
Illinois.....	36	Oregon.....	107
Indiana.....	39	Pennsylvania.....	114
Iowa.....	40	Rhode Island.....	116
Kansas.....	42	South Carolina.....	118
Kentucky.....	44	South Dakota.....	122
Louisiana.....	48	Tennessee.....	126
Maine.....	57	Texas.....	128
Maryland.....	59	Utah.....	134
Massachusetts.....	61	Vermont.....	138
Michigan.....	63	Virginia.....	140
Minnesota.....	68	Washington.....	145
Mississippi.....	71	West Virginia.....	148
Missouri.....	75	Wisconsin.....	151
Montana.....	80	Wyoming.....	154
3. Appendix.....			158

State constitutional amendments which relate directly or indirectly to social security or public welfare.

FOREWORD

In connection with its study of the Federal and State taxing systems, the staff of the Joint Committee on Internal Revenue Taxation submits herewith a compilation of the provisions of the constitutions of the several States with respect to taxation, which it is believed will appropriately follow the staff's report on the Taxing Powers of the Federal and State Governments. The present report does not, however, include interpretations of the courts relative to these constitutional provisions except in a very few instances where it seemed manifestly necessary so to do. This compilation shows not only the provisions of the several constitutions which directly relate to taxation and confer the powers, as well as prescribe the limitations or restrictions of the States and their various political subdivisions in this regard, but it also shows other provisions which bear some, but a less direct, relation to the subject, such as the Wife's Separate Estate, Alien, and Nonresident Property Rights. The community property States are also shown.

The nature of the compilation of necessity makes it quite voluminous, and it is believed that without sacrifice to its value, a number of subjects can be covered in a general statement and that in some instances they can be covered by a syllabus of constitutional provisions, and in other cases by a reference to such provisions alone.

The subjects treated are as follows:

(a) *Legislative authority and origin of revenue bills.*—With the exception of Nebraska, which now has a unicameral legislature, the constitution of each State vests its legislative authority in a body of two chambers. By specific constitutional provisions revenue bills are required to originate in the lower chamber, or house of representatives, in the States of Alabama, Colorado, Delaware, Georgia, Indiana, Kentucky, Louisiana, Maine, Massachusetts, Minnesota, Montana, New Hampshire, New Jersey, Oklahoma, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Vermont, and Wyoming.

(b) *Debt limitations.*—A number of the constitutions have provisions limiting or restricting the public debt of the State and local taxing units. These provisions have so many exceptions with respect to the purposes for which additional indebtedness may be incurred, and with respect to bond issues, that it has not been thought necessary to include debt limitations in this report. It is proper to state, however, that in most instances increases above the constitutional limits may only be incurred by authority of the voters within the territory affected thereby.

(c) *Taxes for religious purposes.*—Many of the State constitutions prohibit the levy of taxes for religious or sectarian purposes, and some declare taxes shall be laid for public purposes only. These provisions but restate an inherent limitation and a basic principle of State Government, for a tax levied for a purpose other than "public"

is held invalid by Federal and State courts. It is, of course, recognized that the validity of any such tax would depend upon the determination of a fact whether or not it was imposed for a public purpose; but in view of the well-established principle that taxes may be only levied for a public purpose, it is not deemed necessary to include in this report the constitutional prohibitions with respect to taxes or appropriations for religious purposes.

(d) *Taxation of distilled and malt liquors.*—Since the repeal of the eighteenth amendment to the Federal Constitution, a number of the States whose constitutions prohibited the sale of alcoholic beverages have adopted amendments legalizing such sales. These amendments are not included in this report.

(e) *Income and death taxes.*—Both income and death taxes in some form have now been adopted as a part of the taxing systems of most of the States. The Constitution of Florida is the only one which specifically prohibits an income tax, and death taxes are imposed in each State except Nevada.

In this report, when specific authority for the imposition of income or death taxes is given in the State constitution, reference only is made to the sections thereof, unless there appears reason to quote them in full.

(f) *Franchise and license taxes.*—Since the infancy of the Federal Union, franchise and license or occupational taxes have been imposed in each of the States. Because of their universal imposition, reference will only be made to the constitutional provisions where such taxes are specifically authorized unless reasons appear why they should be quoted in full.

(g) *Poll taxes.*—Poll, head, or capitation taxes have also existed since the establishment of the Union. Without a constitutional limitation, it is believed the power of the States to impose them would not be questioned. Where there is, however, constitutional provision, either specifically authorizing, prohibiting, or restricting such taxes, it will be cited.

(h) *Community property.*—In eight States of the Union the system of community property exists. These States are Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, and Washington. This system of property ownership was in effect when these States were admitted into the Union and was generally continued by statutory provisions. Only Nevada and Texas now have constitutional provisions (which are identical and quoted below) with respect to the community ownership of husband and wife. We refer to the subject here for the reason that such recognition of ownership of real and personal property materially affects both the Federal and State revenue, particularly when income is involved.

The Nevada Constitution, article IV, section 31, is as follows:

All property, both real and personal, of the wife, owned or claimed by her before marriage, and that acquired afterward by gift, devise, or descent, shall be her separate property; and laws shall be passed more clearly defining the rights of the wife in relation, as well to her separate property as to that held in common with her husband. Laws shall also be passed providing for the registration of the wife's separate property.

The Texas Constitution, article XVI, section 15, is identical.

(i) *Taxes for social security.*—Although the 48 States have enacted legislation bringing themselves within one or more of the

titles of the Federal Social Security Act, other States have adopted, or have pending, constitutional amendments thought to be necessary to permit them to impose taxes in order to avail themselves of the full benefits of the Federal act.

So that these amendments may be shown up to the latest possible date, or to the time of the submission of this report, they will be set out in an appendix hereto.

TAXING PROVISIONS OF THE STATE CONSTITUTIONS

ALABAMA

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1901, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative power of the State is vested in the legislature (sec. 44).

2. LEGISLATIVE LIMITATIONS

(a) The legislature is prohibited from enacting special, private, or local laws regulating either the assessment or collection of taxes and exempting property from taxation or from levy or sale; and further, it—

shall pass general laws for the cases enumerated in this section, provided that nothing in this section or article shall affect the right of the legislature to enact local laws regulating or prohibiting the liquor traffic * * * (sec. 104).

(b) The power to levy taxes may not be delegated to individuals or private corporations, or associations (sec. 212).

(c) Taxes on the use of navigable waters or for the use of shores and wharfage:

That all navigable waters shall remain forever public highways, free to the citizens of the State and the United States, without tax, impost, or toll; and that no tax, toll, impost, or wharfage shall be demanded or received * * * unless the same be expressly authorized by law (sec. 24).

3. WIFE'S SEPARATE ESTATE

The real and personal property of any female in this State, acquired before marriage, and all property, real and personal, to which she may afterwards be entitled by gift, grant, inheritance, or devise, shall be and remain the separate estate and property of such female, and shall not be liable for any debts, obligations, or engagements of her husband, and may be devised or bequeathed by her, the same as if she were a femme sole (sec. 209).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Valuation and uniformity.*—(1) Taxes on property must be assessed in exact proportion to its value:

All taxes levied on property in this State shall be assessed in exact proportion to the value of such property, but no tax shall be assessed upon any debt for

rent or hire of real or personal property, while owned by the landlord or hirer during the current year of such rental or hire, if such real or personal property be assessed at its full value (sec. 211).

(2) Uniform rates of taxation are required between corporations and individuals. Not applicable to religious, educational, or charitable institutions (sec. 217).

(b) *School taxes.*—

* * * a special annual tax of thirty cents on each one hundred dollars of taxable property in this State, which the Legislature shall levy, shall be applied to the support and maintenance of the public schools * * * provided, that nothing herein contained shall be so construed as to authorize the Legislature to levy in any one year a greater rate of State taxation for all purposes, including schools, than sixty-five cents on each one hundred dollars worth of taxable property; * * * (sec. 260).

(c) *Rate limitations.*—The constitution limits the annual property-tax rate for State purposes to sixty-five one-hundredths percent of the valuation of taxable property in the State (sec. 214).

(d) *Exemptions.*—Public property, cemetery property, and property used exclusively for religious, educational, or charitable purposes is exempt from taxation:

The Legislature shall not tax the property, real or personal, of the State, counties, or other municipal corporations, or cemeteries; nor lots in incorporated cities or towns, or within one mile of any city or town to the extent of one acre; nor lots one mile or more distant from such cities or towns, to the extent of five acres, with the buildings thereof, when same are used exclusively for religious worship, for schools, or for purposes purely charitable (sec. 91; see also arts. 204, 205, 206, as to personal property and homesteads).

2. INCOME TAX

The legislature is authorized to levy and collect taxes for State purposes on net incomes from whatever source derived within the State and to fix the rates of taxes not to exceed 5 percent in the case of individuals, or 3 percent in the case of corporations. Income is not deemed to be property for purposes of ad valorem taxes. Ad valorem taxes may be reduced if revenue from income taxes will justify it (art. XXII, amended).

3. DEATH TAXES

The imposition of estate and inheritance taxes is authorized:

Section 219 of the present constitution is hereby annulled and set aside and hereafter the legislature of Alabama may provide for the assessment, levy, and collection of a tax upon inheritances and for the levying of estate taxes not to exceed in the aggregate the amounts which may by any law of the United States be allowed to be credited against or deducted from any similar tax upon inheritances or taxes on estates assessed or levied by the United States on the same subject * * * and shall only be exercised or enforced to the extent of absorbing the amount of any deduction or credit which may be permitted by the laws of the United States now existing or hereafter enacted to be claimed by reason thereof as deduction or credit against such similar tax of the United States applicable to Alabama inheritances or estates (art. XXI, amended).

4. FRANCHISE TAXES

General laws are required to be enacted for conferring corporate powers and for payment of franchise taxes (sec. 229, amended, and sec. 232).

5. PRIVILEGE AND LICENSE TAXES

No law can be enacted by which payment of a State privilege tax or license will relieve payment of other similar taxes in the State:

The Legislature shall not enact any law which will permit any person, firm, corporation, or association to pay a privilege, license, or other tax to the State of Alabama, and relieve him or it from the payment of all other privilege and license taxes in the State (sec. 221).

6. POLL TAXES

A poll tax of \$1.50 is authorized (sec. 194; see also sec. 259).

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) School taxes.—(1):

The several counties in this State shall have power to levy and collect a special tax not exceeding ten cents on each one hundred dollars of taxable property in such counties, for the support of public schools; provided, that * * * (the rate, etc.) shall have been first submitted to a vote of the qualified electors of the county * * *; but the rate of such special tax shall not increase the rate of taxation, State and county combined, in any one year, to more than one dollar and twenty-five cents on each one hundred dollars of taxable property; excluding, however, all special county taxes for public buildings, roads, bridges, and the payment of debts * * * (sec. 269).

(2) The above limitation of 10 cents by a subsequent amendment is raised to 30 cents per hundred dollars in a special school-tax amendment, applicable to counties and school districts:

The several counties in the State shall have power to levy and collect a special county tax not exceeding thirty cents on each one hundred dollars' worth of taxable property in such counties in addition to that now authorized or that may hereafter be authorized for public school purposes, and in addition to that now authorized under Section 260 of the constitution; * * * (art. XIX).

*(b) Rate limitations.—*The rate of taxation by counties is limited to one-half of 1 percent of the value of the taxable property therein, with exception of certain preexisting obligations and for certain necessary public works:

No county in this State shall be authorized to levy a greater rate of taxation, in any one year, on the value of the taxable property therein, than one-half of one per centum; * * * provided further, that to pay any debt or liability now existing against any county, incurred for the erection, construction, or maintenance of the necessary public buildings or bridges, or that may hereafter be created for the erection of necessary public buildings, bridges, or roads, any county may levy and collect such special taxes, not to exceed one-fourth of one per centum, as may have been or may hereafter be authorized by law, * * * (sec. 215).

(Exceptions have been made as to rate of tax to be levied in various counties, for certain purposes.)

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

*(a) Special assessments.—*Special assessments must not exceed the increased value of the property resulting from the improvements:

No city, town, or other municipality shall make any assessment for the cost of sidewalks or street paving, or for the cost of the construction of any sewers against property abutting in such street or sidewalk so paved, or drained by such sewers, in excess of the increased value of such property by reason of the special benefits derived from such improvements (sec. 223).

(b) *Rate limitation.*—(1) :

No city, town, village, or other municipal corporation, other than as provided in this article, shall levy or collect a higher rate of taxation in any one year on the property situated therein than one-half of one per centum of the value of such property as assessed for State taxation during the preceding year * * * (sec. 216).

(2) Exceptions for certain municipalities: Special tax amendments have been enacted in the case of municipalities of Mobile, Tuscumbia, Sheffield, Hurlsboro, Jasper, Cordova, Dora, Oxford, Talladega, Citronelle, Girard, Albany, and Tuscaloosa (amendments VI, VIII, XII, and XIII).

(c) *School district taxes.*—Incorporated cities and towns which are school districts, or school districts of which any incorporated city or town is a part, may levy an additional tax for public school purposes (sec. C-a-(2)) :

The several school districts of any county in the State shall have power to levy and collect a special district tax not exceeding thirty cents on each one hundred dollars' worth of taxable property in such district for public school purposes; provided, that a school district under the meaning of this section shall include incorporated cities or towns, or any school district of which an incorporated city or town is a part * * *; provided further, that no district tax shall be voted or collected except in such counties as are levying and collecting not less than a three-mill special tax (art. XIX, sec. 2).

E. SPECIFIC PROVISIONS (DRAINAGE DISTRICTS)

PROPERTY TAXES

Provision for creation of drainage districts, and for assessment of the cost of improvements and maintenance against property to the extent of benefits derived, is made:

SECTION 1. The Legislature may form or provide for the formation of drainage districts for establishing and maintaining drainage systems; and provide for the assessment of the whole or part of the cost of such improvements against the lands and property in such district to the extent of the increased value thereof by reason of special benefits derived from such improvements and may provide for the issuance of bonds for such districts with or without an election.

SEC. 2. This amendment shall be retroactive and retrospective and shall operate to ratify, confirm, and validate the Act of the Legislature of Alabama, which Act provided for drainage of farm, wet, swamp, and overflow lands in the State of Alabama and authorized the organization of drainage districts, conferred the right of eminent domain to the extent necessary to carry out the purpose of said Act, and provided for raising of revenues by bond issue or otherwise to pay the cost and expense of installing and maintaining drainage systems so as to promote the public health and general welfare, and which Act was approved March 4, 1915; and the amendment shall operate to confirm and validate all corporate organizations under authority of such law, all procedure had, all acts done, all bonds issued, contracts entered into, and assessments made by such corporations under authority of such law (amendment, 1928).

ARIZONA

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1910, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative authority of the State is vested in the legislature, subject to the powers reserved to the people by the initiative and referendum (art. IV, sec. 1).

2. LEGISLATIVE LIMITATIONS

(a) No local or special laws shall be enacted changing the law of descent or succession; affecting assessment and collection of taxes; affecting the estates of deceased persons or of minors; granting to any corporation, association, or individual, any special or exclusive privileges, immunities, or franchises; when a general law can be made applicable (art. IV, sec. 19).

(b) Special privileges and immunities are forbidden:

No law shall be enacted granting to any citizen, class of citizens, or corporation other than municipal, privileges or immunities which, upon the same terms, shall not equally belong to all citizens or corporations (art. II, sec. 13).

(c) The power of taxation shall never be surrendered, suspended, or contracted away (art. IX, sec. 1, par. B-1-a).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXATION

(a) *Uniformity and valuation.*—(1) All property taxes are required to be uniform:

The power of taxation shall never be surrendered, suspended, or contracted away. All taxes shall be uniform upon the same class of property within the territorial limits of the authority levying the tax, and shall be levied and collected for public purposes only (art. IX, sec. 1).

(2) Equality of tax rate is required between citizens of Arizona and citizens of the United States residing outside of Arizona:

The lands and other property belonging to citizens of the United States residing without this State shall never be taxed at a higher rate than the lands and other property situated in this State belonging to residents thereof, and no taxes shall be imposed by this State on any lands or other property within an Indian Reservation owned or held by any Indian; but nothing herein shall preclude the State from taxing as other lands and other property are taxed, any lands and other property outside of an Indian Reservation owned or held by an Indian, save and except such lands as have been granted or acquired as aforesaid, or as may be granted or confirmed to any Indian or Indians under any act of Congress (art. XX, sec. 5).

(b) *Taxes to provide for State expenses and State debt.*—(1):

The legislature shall provide by law for an annual tax sufficient, with other sources of revenue, to defray the necessary ordinary expenses of the State for each fiscal year. And for the purpose of paying the State debt, if there be any,

the legislature shall provide for levying an annual tax sufficient to pay the annual interest and the principal of such debt within twenty-five years from the final passage of the law creating the debt (art. IX, sec. 3).

(2) If the expenses of any fiscal year exceed the income, the legislature may provide for an additional tax levy:

* * * Whenever the expenses of any fiscal year shall exceed the income, the Legislature may provide for levying a tax for the ensuing fiscal year sufficient, with other sources of income, to pay the deficiency, as well as the estimated expenses of the ensuing year (art. IX, sec. 4).

(c) *Exemptions.*—All property in the State not exempted from taxation under this section shall be subject to taxation:

That there shall be exempt from taxation all Federal, State, county, and municipal property. Property of educational, charitable, and religious associations, or institutions not used or held for profit may be exempt from taxation by law. Public debt, as evidenced by the bonds of Arizona, its counties, municipalities, or other subdivisions, shall also be exempt from taxation. There shall be further exempt from taxation the property of widows, honorably discharged soldiers, sailors, United States Marines, members of revenue marine service, and army nurses, residents of this state, not exceeding the amount of two thousand dollars, where the total assessment of such widow and such other persons named herein does not exceed five thousand dollars; provided, that no such exemption shall be made for such persons other than widows unless they shall have served at least sixty days in the military or naval service of the United States during time of war, and shall have been residents of this State prior to January 1, 1927. All property in the State not exempt under the laws of the United States or under this constitution, or exempt by law under the provisions of this section shall be subject to taxation to be ascertained as provided by law. This section shall be self-executing (art. IX, sec. 2).

2. INCOME TAXES

The constitution authorizes income and other specific taxes:

The law-making power shall have authority to provide for the levy and collection of license, franchise, gross revenue, excise, income, collateral and direct inheritance, legacy, and succession taxes, also graduated income taxes, graduated collateral and direct inheritance taxes, graduated legacy and succession taxes, stamp, registration, production, or other specific taxes (art. IX, sec. 12).

3. DEATH TAXES

The section quoted above (art. IX, sec. 12) also authorizes inheritance and legacy taxes.

4. FRANCHISE TAXES

(a) Payments of charter, license, and registration fees are required by corporations:

Provision shall be made by law for the payment of a fee to the State by every domestic corporation, upon the grant, amendment, or extension of its charter, and by every foreign corporation upon its obtaining a license to do business in this State; and also for the payment, by every domestic corporation and foreign corporation doing business in this State, of an annual registration fee of not less than ten dollars, which fee shall be paid irrespective of any specific license or other tax imposed by law upon such company for the privilege of carrying on its business in this State, or upon its franchise or property; and for the making, by every such corporation, at the time of paying such fee, of such report to the corporation commission of the status, business, or condition of such corporation, as may be prescribed by law. No foreign corporation shall have authority to do business in this State until it shall have obtained from the Corporation Commission a license to do business in the State, upon such terms as may be prescribed by law. The Legislature may relieve any purely charitable, social, fraternal, benevolent, or religious institution from the payment of such annual registration fee (art. XIV, sec. 17).

(b) Irrevocable franchises are forbidden:

No law granting irrevocably any privilege, franchise, or immunity shall be enacted (art. II, sec. 9).

(c) The corporation commission provided for in the constitution has the sole power to issue certificates of incorporation and licenses to do business in the State (art. XV, sec. 5).

5. PRIVILEGE AND LICENSE TAXES

The legislature is authorized to provide for privilege and license taxes (art. IX, sec. 12, par. B-2).

6. POLL TAXES

(None now in effect)

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) The power of initiative and referendum is extended to counties and municipalities (art. IV, sec. 1).

(b) The above section, and section 8 of article IX, recognize that the counties of the State are given the power to impose taxes for local purposes as was done prior to statehood.

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

Incorporated cities and towns may be vested with power to make local improvements by special assessment and to assess and collect taxes for corporate purposes:

Incorporated cities, towns, and villages may be vested by law with power to make local improvements by special assessments or by special taxation of property benefitted. For all corporate purposes, all municipal corporations may be vested with authority to assess and collect taxes (art. IX, sec. 6).

2. CREATION AND ORGANIZATION

Municipal corporations can only be created by general laws:

Municipal corporations shall not be created by special laws, but the Legislature, by general laws, shall provide for the incorporation and organization of cities and towns and for the classification of such cities and towns in proportion to population, subject to the provisions of this article (art. XIII, sec. 1).

ARKANSAS

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1874, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative power is vested in the general assembly, and the power of initiative and referendum is reserved and extended to counties and municipalities (art. V, sec. 1, as amended).

(b) The general assembly may delegate the taxing power to political subdivisions:

* * * and the General Assembly may delegate the taxing power, with the necessary restriction, to the State's subordinate political and municipal corporations to the extent of providing for their existence, maintenance, and well being, but no further (art. II, sec. 23).

2. LEGISLATIVE LIMITATIONS

(a) The general assembly is prohibited from enacting local and special laws:

The General Assembly shall not pass any local or special act. This amendment shall not prohibit the repeal of local or special acts (amendment 14, 1926).

(b) Special privileges or immunities are forbidden:

The General Assembly shall not grant to any citizen or class of citizens privileges or immunities which upon the same terms shall not equally belong to all citizens (art. II, sec. 18).

(c) Corporate powers may not be conferred by special acts:

The General Assembly shall pass no special act conferring corporate powers, except for charitable, educational, penal, or reformatory purposes, where the corporations created are to be and remain under the patronage and control of the State (art. XII, sec. 2).

3. WIFE'S SEPARATE ESTATE

The real and personal property of any femme covert in this State acquired either before or after marriage, whether by gift, grant, inheritance, devise, or otherwise, shall, so long as she may choose, be and remain her separate estate and property and may be devised, bequeathed, or conveyed by her the same as if she were a femme sole, and the same shall not be subject to the debts of her husband (art. IX, sec. 7).

4. ALIEN PROPERTY RIGHTS

No distinctions shall ever be made by law between resident aliens and citizens in regard to the possession, enjoyment, or descent of property (art. II, sec. 20).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—All property must be taxed according to its value, and taxation must be equal and uniform:

All property subject to taxation shall be taxed according to its value, that value to be ascertained in such manner as the General Assembly shall direct, making the same equal and uniform throughout the State. No one species of property from which a tax may be collected shall be taxed higher than other species of property of equal value, provided the General Assembly shall have power from time to time to tax hawkers, peddlers, ferries, exhibitions, and privileges, in such manner as may be deemed proper. * * * (art. XVI, sec. 5).

(b) *School taxes.*—The general assembly is required to provide for the support of a common school system by property taxes and an annual per capita tax:

The General Assembly shall provide by the general laws for the support of common schools by taxes, which shall never exceed in any one year three mills on the dollar on the taxable property in the state, and by an annual per capita tax of one dollar, to be assessed on every male inhabitant of this State over the age of twenty-one years (art. XIV, sec. 3).

(c) Corporations and corporate property.—

The power to tax corporations and corporate property shall not be surrendered or suspended by any contract or grant to which the State may be a party (art. XVI, sec. 7).

(d) *Exemptions*.—(1) Tax exemptions not provided in the constitution shall be void:

All laws exempting property from taxation other than as provided in this constitution shall be void (art. XVI, sec. 6).

(2) The constitutional exemptions are:

(a) Public property, etc.:

* * * Provided further, that the following property shall be exempt from taxation: Public Property used exclusively for public purposes; churches used as such; cemeteries used exclusively as such; school buildings and apparatus; libraries and grounds used exclusively for school purposes; and buildings and grounds and materials used exclusively for public charity (art. XVI, sec. 5).

(b) Capital invested in a textile mill in the State:

That all capital invested in a textile mill in this state for the manufacture of cotton and fiber goods in any manner shall be, and is hereby declared to be exempt from taxation for a period of seven years from the date of the location of said textile mill (amendment 12, sec. 1).

(c) Homestead exemption:

SECTION 1. The homestead of each and every resident of the state, * * * shall be wholly exempt from all state taxes authorized or referred to in Section 8 of Article XVI of the Constitution of Arkansas in all cases where such homestead does not exceed the assessed valuation of One Thousand Dollars (\$1,000.00). * * *

SEC. 2. Within a maximum limit of Two Thousand Five Hundred Dollars (\$2,500.00) and a minimum limit of One Thousand Dollars (\$1,000.00), the legislature is hereby authorized and empowered from time to time to fix the amount of the exemption hereby provided.

SEC. 3. It is hereby made the duty of the legislature, and the legislature is hereby directed:

(a) Fully and completely to replace or restore any and all funds which will or may be eliminated, diminished, or otherwise affected hereby or hereunder; but the legislature shall not, in order to accomplish that purpose, impose or levy any new form of tax;

* * * * *

SEC. 4. Nothing herein shall ever be construed, applied, or administered so as to impair any right of any holder of any bond, note, or other obligation heretofore issued or assumed by the state and now outstanding; but this amendment shall in every respect be construed, applied, and administered so as fully to protect all the legal rights of all such holders.

* * * (amendment No. 23, 1936).

(e) *Rate limitations*.—(1) Annual rate:

The General Assembly shall not have the power to levy state taxes for any one year to exceed the aggregate one per cent of the assessed valuation of the property of the State for that year (art. XVI, sec. 8).

(2) Rates of property and other taxes may not be increased except as here provided:

SEC. 2. None of the rates for property, excise, privilege, or personal taxes now levied shall be increased by the General Assembly except after the approval of the qualified electors * * * or in case of emergency, by the vote of three-fourths of the members elected to each House of the General Assembly (amendment No. 19, 1934).

2. INCOME TAX

An income tax was imposed in 1929.

3. DEATH TAXES

An inheritance tax is imposed.

4. FRANCHISE TAXES

Corporate franchises are taxed. (See par. B-1-a and also art. XII, sec. 11, as to foreign corporations.)

5. PRIVILEGE TAXES

Authority for the levy of license or privilege taxes. (See par. B-1-a.)

6. POLL TAXES

Payment of a poll tax is required, and right of suffrage is extended to women and denied to aliens:

Every citizen of the United States of the age of twenty-one years, * * * and who shall exhibit a poll tax receipt or other evidence that they have paid their poll tax at the time of collecting taxes next preceding such election, shall be allowed to vote * * *. It is declared to be the purpose of this amendment to deny the right of suffrage to aliens * * * to confer suffrage equally upon both men and women, without regard to sex; provided, that women shall not be compelled to serve on juries (art. 111, sec. 1, as amended 1920, amendment 8).

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) The legislature may delegate taxing power to the counties to the extent of providing for their existence, maintenance, and well being, but no further (art. 11, sec. 23).

(b) Power is vested in electors of each county to levy a tax to construct, reconstruct, or extend any county courthouse or jail, or to pay indebtedness incurred therefor.

The power and right is hereby vested in the qualified electors of each respective county in this State * * * to authorize the construction, reconstruction, or extension of any County Court House, or County Jail, and to authorize the levy of a tax not to exceed one-half of one per cent on the dollar of the valuation of all properties in such county subject to taxation to defray the cost and expenses thereof, or to take up any indebtedness existing at the time of adoption hereof incurred in building, constructing, or extending any county court house or jail (amendment No. 17, 1928).

(c) Counties are permitted to levy a tax for making and repairing public roads and bridges.

The County courts in their respective counties, in addition to the county tax now allowed to be levied, shall have power when authorized, as hereinafter provided, to levy an annual tax not exceeding three mills on the dollar on all taxable property, which shall be collected and expended in making and repairing public roads and bridges in their respective counties; and said court shall have power, after authority given as hereinafter provided, to levy a tax not exceeding three mills on the dollar on all taxable property for a period of time not to exceed thirty years, to borrow money, issue bonds, and pledge the revenues arising from the tax levied for a period of time, to pay the interest and principal of any sum or sums so borrowed. * * * The annual tax and the tax for period of years shall not both be levied and be in force at the same time in any county—the levy of one shall exclude the levy of the other (amendment No. 3, 1916).

(*d*) *Rate limitations*.—Counties are prohibited from levying a tax to exceed one-half of 1 percent, except to pay preexisting indebtedness.

No county shall levy a tax to exceed one-half of one per cent for all purposes, but may levy an additional one-half of one per cent to pay indebtedness existing at the time of the ratification of this Constitution (art. XVI, sec. 9).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(*a*) *Power to tax*.—The legislature may delegate limited taxing power to municipalities (art. II, sec. 23; see par. A-1-b).

(*b*) *Special assessments*:

Nothing in this Constitution shall be so construed as to prohibit the General Assembly from authorizing assessments on real property for local improvements in towns and cities under such regulations as may be prescribed by law to be based upon the consent of a majority in value of the property holders owning property adjoining the locality to be affected; but such assessments shall be ad valorem and uniform (art. XIX, sec. 27).

(*c*) *Rate limitations*:

No municipal corporation shall be authorized to pass any law contrary to the general laws of the State; nor levy any tax on real or personal property to a greater extent, in one year, than five mills on the dollar of the assessed value of the same. Provided, that, to pay indebtedness existing at the time of the adoption of this Constitution, an additional tax of not more than five mills on the dollar may be levied (art. XII, sec. 4).

2. ORGANIZATION

The General Assembly shall provide, by general laws, for the organization of cities (which may be classified) and incorporated towns, and restrict their power of taxation, assessment, borrowing money, and contracting debts, so as to prevent the abuse of such power (art. XII, sec. 3).

E. SCHOOL DISTRICTS

School districts may be authorized to levy a tax not to exceed 18 mills on the dollar for certain school purposes (amendment No. 11, 1926).

CALIFORNIA

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1879, as amended)

NOTE.—The Constitution of the State of California is different from that of other States, in that many of the provisions therein are self-executing and of a nature usually expected to be found in a State code rather than in the constitution. The ease and frequency with which amendments are adopted would make this report too voluminous for its purpose should the language of all the many taxing provisions be incorporated.

By a series of amendments, adopted June 27, 1933, and effective January 1, 1935, what is known as the Riley-Stewart plan of taxation, changed and superseded a number of the former taxing provisions. The purpose of this plan seems to be to relieve the burden on property taxes for both State and local purposes. The various amendments which constitute the structure of this plan are so given or referred to that it is believed the data herein will make the present plan or system fully understandable.

Where these amendments are cited, the references to article and section are in italics.

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative power is vested in the legislature, reserving to the people power of initiative and referendum, and said power is further reserved to "the electors of each county, city and county, city and town of the State" (art. IV, sec. 1, amended).

(b) The legislature is given authority to pass all laws necessary to carry out the taxing provisions of the constitution (art. XII, sec. 14) and may provide for raising revenue by any form of taxation not prohibited in the constitution (*art. XIII, sec. 15*). It may limit the amount of revenue to be raised by property taxes for local purposes (*art. XI, sec. 20*).

2. LEGISLATIVE LIMITATIONS

(a) The constitution prohibits passing local or special laws for the assessment or collection of taxes:

* * * Granting to any corporation, association, or individual any special or exclusive right, privilege, or immunity. * * * Exempting property from taxation. * * * Chartering or licensing ferries, bridges, or roads. * * * Changing the law of descent or succession * * * (*art. IV, sec. 25*).

(b) Delegation of certain local powers is prohibited. The legislature shall not delegate to any special commission, private corporation, company, association, or individual power to perform certain local functions (art. XI, sec. 13). (See par. C 2.)

(c) The power of taxation is not to be surrendered:

The power of taxation shall never be surrendered or suspended by any grant or contract to which the state shall be a party (art. XIII, sec. 6).

3. THE WIFE'S SEPARATE ESTATE

All property, real and personal, owned by either husband or wife, before marriage, and that acquired by either of them afterward by gift, devise, or descent, shall be their separate property (art. XX, sec. 8).

4. ALIEN PROPERTY RIGHTS

Foreigners of the White Race, or of African descent, eligible to become citizens of the United States * * * while bona fide residents of this State, shall have the same rights in respect to the acquisition, possession, enjoyment, and transmission, and inheritance of all property, other than real estate, as native born citizens; *provided*, that such aliens owning real estate at the time of the adoption of this amendment may remain such owners; *provided further*, that the Legislature may, by statute, provide for the disposition of real estate which shall hereafter be acquired by such aliens by descent or devise (art. I, sec. 17, amended).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—(1) All property, other than such as is exempted by the Constitution, is subject to taxation in proportion to value—Property defined:

All property in the state except as otherwise in this Constitution provided, not exempt under the laws of the United States, shall be taxed in proportion to its value, to be ascertained as provided by law, or as hereinafter provided.

The word "property," as used in this article and section, is hereby declared to include moneys, credits, bonds, stocks, dues, franchises, and all other matters and things, real, personal, and mixed, capable of private ownership; *provided* that a mortgage, deed of trust, contract, or other obligation by which a debt is secured where land is pledged as security for the payment thereof, together with the money represented by such debt, shall not be considered property subject to taxation; * * * (art. XIII, sec. 1).

(2) Land and improvements:

Land, and improvements thereon, shall be separately assessed. Cultivated and uncultivated land, of the same quality, similarly situated, shall be assessed at the same value (art. XIII, sec. 2).

(3) Taxation of tangible personal property:

* * * The Legislature shall have the power to provide for the assessment, levy, and collection of taxes upon all forms of tangible personal property, all notes, debentures, shares of capital stock, bonds, solvent credits, deeds of trust, mortgages, and any legal or equitable interest therein, not exempt from taxation under the provisions of this Constitution, in such manner and at such rates as may be provided by law, and in pursuance of the exercise of such power the Legislature, two-thirds of all of the members elected to each of the two houses voting in favor thereof, may classify any and all kinds of personal property for the purposes of assessment and taxation in a manner and at a rate or rates in proportion to value different from any other property in this State subject to taxation and may exempt entirely from taxation any or all forms, types, or classes of personal property.

The total tax imposed on notes, debentures, shares of capital stock, bonds, solvent credits, deeds of trust, mortgages and any legal or equitable interest therein in pursuance of the provisions of this section shall not be at a rate in excess of four-tenths of one per cent of the actual value of such property and no tax burden shall be imposed upon any personal property either tangible or intangible which shall exceed the tax burden on real property in the same taxing jurisdiction in proportion to the actual value of such property. * * * (art. XIII, sec. 14).

(4) Property is to be assessed at full value:

All property subject to taxation shall be assessed for taxation at its full cash value (art. XI, sec. 12, amended).

(5) State and county boards of equalization:

(a) *State board of equalization is established.*—The boards of supervisors of the several counties constitute boards of equalization for their respective counties, which are to equalize the valuation of the property in the county for purposes of taxation. The board assesses certain corporate property (art. XIII, sec. 9).

(b) *School taxes.*—The legislature is required to provide for the support of the public-school system and the State university from the revenue from State taxes (art. XVIII, sec. 15). (See also art. IX, secs. 5 and 6.)

(c) *Highway taxes.*—Authority is given to establish a system of State highways, and to extend aid to any county highway (art. IV, sec. 36).

(d) *Corporations and corporate property.*—(1) Corporations may be formed only by general laws and the legislature has power of organization and to prescribe their rights, duties, and liabilities (art. XII, sec. 1), and may tax them by any method not prohibited by the Constitution or laws of the United States (art. XIII, sec. 16).

(2) Taxation of public utilities:

All pipe lines, flumes, canals, ditches, and aqueducts not entirely within the limits of any one county, and all property, other than franchises, owned or used by (1) railroad companies including street railways, herein defined to include interurban electric railways, whether operating in one or more counties,

(2) sleeping car, dining car, drawing-room car, and palace car companies, refrigerator, oil stock, fruit and other car-loading and other car companies operating upon the railroads in the State, (3) companies doing express business on any railroad, steamboat, vessel, or stage line in this State, (4) telegraph and telephone companies, (5) companies engaged in the transmission or sale of gas or electricity, shall be assessed annually by the State Board of Equalization, at the actual value of such property.

All property so assessed by said board shall be subject to taxation to the same extent and in the same manner as other property.

All companies herein mentioned and their franchises, other than insurance companies and their franchises, shall be taxed in the same manner and at the same rates as mercantile, manufacturing and business corporations, and their franchises are taxed pursuant to section 16 of this article; provided, that nothing herein shall be construed to release any company mentioned in this section from the payment of any amount agreed to be paid or required by law to be paid for any special privilege or franchise granted by any political subdivision or municipality of this State; provided further that no excise, or income tax or any other form of tax or license charge shall be levied or assessed upon or collected from the companies, or any of them, mentioned in the first paragraph of this section, in any manner or form, different from, or at a higher rate than that imposed upon or collected from mercantile, manufacturing and business corporations doing business within this State * * * (*art. XIII, sec. 14*).

(3) Taxation of insurance companies:

* * * Every insurance company or association doing business in this State shall annually pay to the State a tax, assessed by the State Board of Equalization, of two and six-tenths per centum upon the amount of the gross premiums other than gross premiums from ocean marine insurance, received upon its business done in this State, less return premiums and reinsurance in companies or associations authorized to do business in this State; provided, that there shall be deducted from said two and six-tenths per centum upon the gross premiums the amount of any taxes paid by such companies on real estate owned by them in this State. This tax shall be in lieu of all other taxes and licenses, State, county, and municipal, upon such companies or their property, except taxes upon their real estate; provided, that when by the laws of any other State or country, any taxes, fines, penalties, licenses, fees, deposits of money, or of securities, or other obligations or prohibitions, imposed on insurance companies, of the State, doing business in such other State or country, or upon their agents therein, in excess of such taxes, fines, penalties, licenses, fees, deposits of money, or of securities, or other obligations or prohibitions, imposed upon insurance companies of such other State or country so long as such laws continue in force, the same obligations and prohibitions of whatsoever kind may be imposed by the Legislature upon insurance companies of such other State or country doing business in this State.

Every insurer transacting the business of ocean marine insurance in this State shall annually pay to the State a tax, assessed by the State Board of Equalization, measured by that proportion of the underwriting profit of such insurer from such insurance written in the United States, which the gross premiums of the insurer from such insurance written in this State bear to the gross premiums of said insurer from such insurance written within the United States, at the rate of five per centum, which tax shall be in lieu of all other taxes and licenses, State, county, and municipal, upon such insurer, except taxes upon real estate, and such other taxes as may be assessed or levied against such insurer on account of any other class of insurance written by it. The Legislature shall define the terms "ocean marine insurance" and "underwriting profit," shall provide for the assessment, levy, collection, and enforcement of said tax.

The Legislature, two-thirds of all the members elected to each of the two houses voting in favor thereof, may by law change the rate or rates of taxes herein imposed upon insurance companies.

The word "companies" as used in this section shall include persons, partnerships, joint stock associations, companies and corporations.

Nothing herein contained shall be construed to subject to assessment and taxation property which is exempt from taxation under other provisions of this Constitution (*art. XIII, sec. 14, as amended June 27, 1933*).

(4) Taxation of banks and banking:

1. (a) Banks, including national banking associations, located within the limits of this State, shall annually pay to the State a tax according to or measured by their net income, which shall be in lieu of all other taxes and licenses, State, county, and municipal, upon such banks, or the shares thereof, except taxes upon their real property, at the rate to be provided by law.

(b) The Legislature may provide by law for any other form of taxation now or hereafter permitted by the Congress of the United States respecting national banking associations: provided, that such form of taxation shall apply to all banks located within the limits of this State.

2. The Legislature may provide by law for the taxation of corporations, their franchises, or any other franchises, by any method not prohibited by this Constitution or the Constitution or laws of the United States.

3. Any tax imposed pursuant to this section must be under an act passed by not less than two-thirds vote of all the members elected to each of the two Houses of the Legislature (*art. XIII, sec. 16, as amended June 27, 1933*).

(e) *Limitation of appropriations to be raised by property taxes.*—Not more than 25 percent of the total appropriations from all funds of the State shall be raised by means of taxes on real and personal property according to the value thereof:

Appropriations from the general fund of the State for any biennium, exclusive of appropriations for the support of the public school system, shall not exceed by more than five per centum the appropriations from such fund, exclusive of such public school appropriations, for the preceding biennium unless two-thirds of all members elected to each house of the Legislature vote in favor thereof: provided, that no amount appropriated in excess of such five per centum shall become a part of the base for determining the maximum appropriation for a succeeding biennium. Should the appropriations in the budget act for any biennium exceed the limitations herein prescribed, and such budget act be not passed by such two-thirds vote, the several items of appropriation therein shall be deemed reduced by that percentage which the excess amount of appropriation bears to the total appropriation. Should the prescribed limit for any biennium be exceeded by reason of any other appropriation or appropriations from the general fund, then the appropriation first passed by the Legislature without such two-thirds vote, which exceeds such prescribed limitation, shall be deemed reduced by the amount of such excess, and all other subsequent appropriations from the general fund not passed by such two-thirds vote shall be void. Nothing herein contained shall prevent the Governor from vetoing any bills or reducing any appropriation therein or any appropriation reduced as herein provided.

Not more than twenty-five per cent of the total appropriations from all funds of the State shall be raised by means of taxes on real and personal property according to the value thereof (*art. IV, sec. 34a*). (New section adopted June 27, 1933.)

(f) *Limitation of tax lien.*—Provision is made that the lien of every tax shall cease to exist and be conclusively presumed to have been paid after 30 years, unless the property subject thereto has been legally sold for the payment of said tax (*art. IV, sec. 31-b, amended 1932*). (There are two sections bearing this same number.)

(g) *Computation of taxes upon unsecured property.*—

The taxes levied for any current tax year upon personal property and assessments upon possession of, claim to, or right to the possession of land and upon taxable improvements located on land exempt from taxation, which are not a lien upon land sufficient in value to secure their payment, shall be based upon the rates for taxes levied for the preceding tax year upon property of the same kind where the taxes were a lien upon land sufficient in value to secure the payment thereof. Nothing in this section shall be construed to prohibit the equalization each year of the assessment on such property in the manner now or hereafter provided by law (*art. XIII, sec. 9a, amended 1936*).

(*h*) *Exemptions*.—(1) The following property is exempt from taxation:

(*a*) That used for free libraries and museums; (*b*) exclusively for public schools; (*c*) such as may belong to the United States, to the State and its political subdivisions, except such as is located outside the subdivisions owning the same as were subject to taxation at the time of the acquisition thereof; (*d*) but no improvements constructed by any subdivision shall be subject to taxation; and (*e*) growing crops (art. XIII, sec. 1).

(2) By subsequent amendments to the same section, other specific exemptions are provided (*a*) for colleges and burial grounds not operated for profit; (*b*) for veterans and members of their families; (*c*) buildings and property used exclusively for religious purposes or orphan asylums; (*d*) bonds of State and municipal corporations; (*e*) certain vessels registered in the State; (*f*) property of householders to the value of \$100 (art. XIII, sec. 10½); and (*g*) certain fruit trees and grape vines and immature forest trees (art. XIII, sec. 12¾).

2. INCOME TAX

Income taxes are imposed on individuals and corporations:

Income taxes may be assessed to and collected from persons, corporations, joint stock associations, or companies resident or doing business in this state, or any one or more of them, in such cases and amounts, and in such manner, as shall be prescribed by law (art. XIII, sec. 11).

3. DEATH TAXES

Both an inheritance and estate tax is imposed.

4. FRANCHISE TAXES

(*a*) Franchise taxes are authorized by the State and local subdivisions (art. XIII, secs. 1, 14, and 16, par. B 1-d).

(*b*) The right to collect for the use of water supplied to local subdivisions or the inhabitants thereof is declared a franchise (art. XIV, sec. 2).

5. LICENSE TAXES

License or occupational taxes are imposed by the State and counties and cities.

6. POLL TAXES

A poll tax of not less than \$5, with certain exceptions, is imposed (art. XIV, sec. 12).

C. SPECIFIC PROVISIONS (COUNTIES AND OTHER POLITICAL SUBDIVISIONS)

NOTE.—The constitutional provisions with respect to organization and government of counties, cities, and other subdivisions of the State are too elaborate to incorporate more than a bare outline in this report. The major taxing provisions we have included under this section C.

To these may be added the provisions that corporations for municipal purposes must be created by general laws. That city and county governments may be consolidated; that any county may frame a charter for its own government; that school districts may be consolidated; that a city may frame a charter for its own government. There are specific provisions as to certain cities and counties. All the foregoing powers are to be exercised under prescribed conditions. (Generally, see art. XI.)

1. PROPERTY TAXES

(a) *Assessment*.—Unless provided otherwise in the constitution, all property shall be assessed in the local subdivisions having tax jurisdiction (art. XIII, sec. 10).

(b) *Imposition of taxes*.—The legislature may not impose taxes upon municipal corporations for local purposes, but may vest the local authorities with such power:

* * * The legislature shall have no power to impose taxes upon counties, cities, towns, or other public or municipal corporations, or upon the inhabitants or property thereof, for county, city, town, or other municipal purposes, but may, by general laws, vest in the corporate authorities thereof the power to assess and collect taxes for such purposes. * * * (art. XI, sec. 12, amended).

(c) *School taxes*.—The legislature is required to provide for levying of taxes by the boards of supervisors of each county, and city and county, for school purposes therein, including school district taxes (art. IX, sec. 6).

2. DELEGATION OF LOCAL POWERS PROHIBITED

Not applicable to irrigation, reclamation, and drainage districts:

The legislature shall not delegate to any special commission, private corporation, company, association, or individual any power to make, control, appropriate, supervise, or in any way interfere with any county, city, town, or municipal improvement, money, property, or effects, whether held in trust or otherwise, or to levy taxes or assessments or perform any municipal function whatever, except that the legislature shall have power to provide for the supervision, regulation, and conduct, in such manner as it may determine, of the affairs of irrigation districts, reclamation districts, or drainage districts, organized or existing under any law of this state (art. XI, sec. 13).

COLORADO

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1876, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative power is vested in the general assembly, but reserved to the people by initiative and referendum, and is extended to cities, towns, and municipalities (art. V, sec. 1).

(b) The general assembly is required to provide an annual tax, sufficient, with other resources, to defray the estimated expenses of the State government for each fiscal year (art. X, sec. 2).

2. LEGISLATIVE LIMITATIONS

Special or local laws are prohibited:

* * * regulating county or township affairs; * * * changing the law of descent; * * * granting to any corporation, association, or individual any special or exclusive privilege, immunity, or franchise whatever. * * * (art. V, sec. 25).

3. WATER RIGHTS

Water of natural streams, not heretofore (1876) appropriated, is declared to be public property:

The water of every natural stream, not heretofore appropriated, within the State of Colorado, is hereby declared to be the property of the public, and the same is dedicated to the use of the people of the State, subject to appropriation as hereinafter provided (art. XVI, sec. 5).

4. ALIEN PROPERTY RIGHTS

(See par. B. 1-a (3))

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Equality and valuation.*—(1) Taxes are required to be uniform within the territorial limits of the authority levying the tax:

All taxes shall be uniform upon the same class of subjects within the territorial limits of the authority levying the tax, and shall be levied and collected under general laws, which shall prescribe such regulations as shall secure a just valuation for taxation of all property, real and personal: *Provided*, That the personal property of every person being the head of a family to the value of \$200 shall be exempt from taxation. Ditches, canals, and flumes owned and used by individuals or corporations, for irrigating land owned and used by individuals or corporations, or the individual members thereof, shall not be separately taxed so long as they shall be owned and used exclusively for such purposes (art. X, sec. 3).

(2) A State and county board of equalization is provided, and the boards shall equalize to the end that all taxable property shall be assessed at its full cash value.

There shall be a board of equalization for the State * * *. The duty of the said board of equalization shall be to adjust, equalize, raise, or lower the valuation of real and personal property of the several counties of the State, and the valuation of any item or items of the various classes of such property.

There shall be in each county of this State a county board of equalization, * * *. The duty of the county board of equalization shall be to adjust, equalize, raise, or lower the valuation of real and personal property within their respective counties, subject to revision, change, and amendment by the state board of equalization.

* * * The State board of equalization and the county board of equalization shall equalize to the end that all taxable property in the State shall be assessed at its full cash value and also perform such other duties as may be prescribed by law: *Provided, however*, That the State board of equalization shall have no power of original assessment (art. X, sec. 13).

(3) Alien residents of Colorado are given the same property rights as native citizens:

Aliens, who are or may hereafter become bona fide residents of this State, may acquire, inherit, possess, enjoy, and dispose of property, real and personal, as native citizens (art. II, sec. 27).

(b) Taxation of corporate property.—

All corporations in this State, or doing business therein, shall be subject to taxation for state, county, school, municipal, and other purposes, on the real and personal property owned or used by them within the territorial limits of the authority levying the tax (art. X, sec. 10).

(c) Taxation of motor vehicles.—(1) A graduated ownership tax is imposed on certain types of motor vehicles in lieu of ad valorem taxes (art. X, sec. 6; see par. B-1-d-(4)).

(2) Proceeds of motor vehicles and liquid motor fuel taxes are to be used exclusively for State public highway purposes (art. X, new sec. 1934).

(d) Exemptions.—(1) Personal property to the value of \$200 of every head of a family, and ditches, canals, and flumes individually owned and used are exempt from taxation (art. X, sec. 3; see par. B-1-a-(1)).

(2) The real and personal property of the State, counties, cities, and other municipal corporations, public libraries, is exempt from taxation (art. X, sec. 4).

(3) Property for religious, charitable and school purposes:

Property, real and personal, that is used solely and exclusively for religious worship, for schools, or for strictly charitable purposes, also cemeteries not used or held for private or corporate profit, shall be exempt from taxation, unless otherwise provided by General Law (art. X, sec. 5, amended 1936).

(4) Certain types of motor vehicles are exempt from ad valorem taxes:

All laws exempting from taxation, property other than that hereinbefore mentioned, shall be void: *Provided, however,* That the General Assembly shall enact laws classifying motor vehicles, trailers, and semi-trailers and requiring the payment of a graduated annual specific ownership tax thereon, which said tax shall be in addition to, and payable to the proper county officer at the same time as state registration or license fees.

Said graduated annual specific ownership tax shall be in lieu of all ad valorem taxes upon such property, and shall be distributed, apportioned, credited, and paid over to the State and its political subdivisions as provided by law with reference to ad valorem taxes: *Provided further,* That such laws shall not exempt from ad valorem taxation motor vehicles, trailers, and semi-trailers in process of manufacture, or held in storage, or which constitute the stock of manufacturers, or distributors thereof or of dealers therein (art. X, sec. 6, amended 1936).

(5) Lands planted to hedges, orchards, and forests may, for a limited time, be exempt from increase of tax:

The general assembly may provide that the increase in the value of private lands caused by the planting of hedges, orchards, and forests thereon, shall not, for a limited time to be fixed by law, be taken into account in assessing such lands for taxation (art. XVIII, sec. 7).

*(e) Rate limitation.—*The rate of taxation on property, for state purposes, shall never exceed four mills on each dollar of valuation: *Provided, however,* That in the discretion of the general assembly an additional levy of not to exceed one mill on each dollar of valuation may from time to time be authorized for the erection of additional buildings at, and for the use, benefit, maintenance, and support of the state educational institutions: *Provided further,* That the rate of taxation on property for all state purposes, including the additional levy herein provided for shall never exceed five mills on each dollar of valuation, unless otherwise provided in the constitution (art. X, sec. 11).

2. INCOME TAX

Income Tax. The General Assembly may levy income taxes, either graduated or proportional, or both graduated and proportional, for the support of the State, or any political subdivision thereof, or for public schools, and may, in

the administration of an income tax law, provide for special classified or limited taxation or the exemption of tangible and intangible personal property (art. X, sec. 17, amended, 1936).

3. DEATH TAXES

An inheritance tax is imposed.

4. FRANCHISE TAX

Franchise taxes are imposed:

The right of eminent domain shall never be abridged nor so construed as to prevent the general assembly from taking the property and franchises of incorporated companies and subjecting them to public use, the same as the property of individuals; and the police power of the State shall never be abridged or so construed as to permit corporations to conduct their business in such manner as to infringe the equal rights of individuals or the general well-being of the state (art. XV, sec. 8).

5. LICENSES

License and privilege taxes are generally imposed. An amendment with respect to article 10, section 6, was adopted in 1936, requiring payment of a special ownership tax of motor vehicles. (See par. B-1-d-(4).)

6. POLL TAXES

Poll taxes are imposed.

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) *Power to tax.*—The general assembly may vest the power to tax upon the corporate authorities of counties and other political corporations:

The general assembly shall not impose taxes for the purposes of any county, city, town, or other municipal corporation, but may by law, vest in the corporate authorities thereof respectively, the power to assess and collect taxes for all purposes of such corporation (art. X, sec. 7).

(b) A county board of equalization is also provided for (art. X, sec. 15; see par. B-1-a-(2)).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(a) *Power to tax.*—(1) The general assembly may vest municipalities with powers of taxation for all purposes of such municipal corporations (art. X, sec. 7; see par. C-1-a).

(2) Power may not be delegated to any commission, corporation, or association to interfere with or supervise any municipal functions (art. V, sec. 35).

(3) The powers with which cities and towns having a population of 2,000 are vested as to assessment and collection of taxes are:

The assessment of property in such city or town for municipal taxation and the levy and collection of taxes thereon for municipal purposes and special

assessments for local improvements; such assessments, levy, and collection of taxes, and special assessments to be made by municipal officials or by the county or state officials as may be provided by the charter (art. XX, sec. 6, par. g).

(4) A further provision is made as to the city and county of Denver, constituting same as one school district, to be known as district No. 1 (art. XX, sec. 7), and by amendments to the constitution (1912) certain provisions were made for the city and county of Denver and for cities and towns in the State having a population of 2,000.

The pertinent parts as to the city and county of Denver are: Granting franchises relating to any street, alley, or public place; granting the council authority to fix the rate of taxation on property for city and county purposes, but having no authority to diminish the tax rate fixed by the general assembly for State purposes or to interfere with the collection thereof (art. XX, secs. 1-5).

2. ORGANIZATION

The general assembly is required to provide by general laws for the organization of cities and towns, which are to be classified in not to exceed four classes:

The general assembly shall provide, by general laws, for the organization and classification of cities and towns. The number of such classes shall not exceed four; and the powers of each class shall be defined by general laws, so that all municipal corporations of the same class shall possess the same powers and be subject to the same restrictions (art. XIV, sec. 13).

CONNECTICUT

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1818, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative power of the State is vested in the general assembly (art. third, sec. 1).

The State courts have held—

That the entire legislative power is in the hands of the general assembly, subject only to the limitation that it should be exercised in a manner consistent with a republican form of government, and in conformity with the State and Federal constitutions.

That the constitution is not a limitation, but a grant of power.

That the grant is unqualified and not otherwise restrained than by article third, section 1.

That the taxing power is an inherent attribute of sovereignty which the legislature may exercise for lawful purposes in its discretion as regarding the subject matter of taxation and the extent and manner of the tax.

That the governmental power of the legislature may be delegated to municipal corporations or to municipal boards.

That it can legislate as to tax exemptions.

2. LEGISLATIVE LIMITATIONS

The only express constitutional limitation is that against the enactment of any law compelling any person to join or support any church, congregation, or religion:

* * * no person shall by law be compelled to join or support, nor be classed with, or associated to, any congregation, church, or religious association. * * * (art. seventh, sec. 1).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Equality and valuation.*—The constitution declares equality of rights to all men and denies exclusive public emoluments or privileges to any.

That all men, when they form a social compact, are equal in rights; and that no man, or set of men, are entitled to exclusive public emoluments or privileges from the community (art. first, sec. 1).

Other than what may be derived from the above, article first, section 1, there is no provision that has any bearing on uniformity or equality of taxation. It is a question which seems frequently to have been before the Connecticut courts, and their holdings may be condensed into the statement—

That there is no provision in the State constitution requiring that taxation should be equal and uniform;

That the legislature is not forced to adopt a uniform method of valuing and assessing all property for taxation;

That the provisions of the State and Federal constitutions are met when all persons similarly situated are accorded equal protection in the enjoyment of rights belonging to all; and

That in its classification for taxation purposes, the wide range of discretion is only restrained in that its selections and determinations must not be palpably arbitrary and an abuse of its power and that classifications should be reasonable.

2. INCOME TAXES

An income tax is imposed on corporations and a gross receipts tax on unincorporated businesses, manufacturers, wholesalers, and retail dealers.

3. DEATH TAXES

Death taxes are imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed.

5. LICENSE TAXES

License or occupational taxes are imposed by the State and municipalities.

6. POLL TAXES

Poll taxes are imposed.

Under the court interpretations, section 1 of article 1 of the constitution is ample authority for imposition of the foregoing five forms of tax.

C. SPECIFIC PROVISIONS (COUNTIES)

While there are no specific provisions as to levying and collecting taxes by counties or for their organization, the constitution seems to recognize and to continue their existence under constitutional authority, in that it provides for election of county officers and the continuing of civil officers in their respective offices, etc.

The rights and duties of all corporations shall remain as if this constitution had not been adopted; with the exception of such regulations and restrictions as are contained in this constitution. All judicial and civil officers now in office * * * shall continue to hold their offices until the 1st day of June next, unless they shall, before that time, resign, or be removed from office according to law. * * * All laws not contrary to or inconsistent with the provisions of this constitution shall remain in force until they shall expire by their own limitation, or shall be altered or repealed by the General Assembly, in pursuance of this constitution. * * * (art. tenth, sec. 3; see par. D).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

The constitution continues to recognize the municipal corporations (art. tenth, secs. 2 and 3), and they are the units for the assessment and collection of property taxes under the system still in effect.

Towns, instead of counties, are the taxing units in the State, although counties do derive certain revenue from other independent taxing districts, as does the State. (See par. C.)

The State of Connecticut is peculiar in that until 1818 it had enacted no constitution. After the Declaration of Independence it continued to function under its fundamental orders of 1639 and the charter of 1662. The only change in the form of government was a declaration by the legislature to the effect that the form of government shall continue to be as established by the charter of Charles II "so far as an adherence to the same will be consistent with an absolute independence of the State from the Crown of Great Britain."

The taxing powers of the legislature will, therefore, be found largely in the fundamental orders, the charter, and the decisions of the Supreme Court of the State, which interprets these powers to be of wide and almost unlimited extent.

The fundamental orders and the charter are frequently referred to as the first and second constitutions.

DELAWARE

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1897, as Amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative power is vested in the general assembly (art. II, sec. 1) :

Each House * * * shall have all other powers necessary for a branch of the Legislature of a free and independent State.

2. LEGISLATIVE LIMITATIONS

No corporation shall be created, its charter amended or revived by special act. This does not apply to banks, municipal corporations, or those for charitable, penal, reformatory, or educational purposes, sustained wholly or partly by the State. (See art. IX, sec. 1.)

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—(1) Uniformity of taxation is required upon the same class of subjects. The general assembly may exempt property from taxation:

All taxes shall be uniform upon the same class of subjects within the territorial limits of the authority levying the tax, and shall be levied and collected under general laws, but the General Assembly may by general laws exempt from taxation such property as in the opinion of the General Assembly will best promote the public welfare (art. VIII, sec. 1).

(2) In all assessments of realty the value of land, buildings, and improvements shall be included. This applies for State, county, municipal, and all public purposes:

In all assessments of the value of real estate for taxation, the value of the land and the value of the buildings and improvements thereon shall be included. And in all assessments of the rental value of real estate for taxation, the rental value of the land and the rental value of the buildings and the improvements thereon shall be included. The foregoing provisions of this section shall apply to all assessments of the value of real estate or of the rental value thereof for taxation for State, county, hundred, school, municipal, or other public purposes (art. VIII, sec. 7).

(b) *Exemptions.*—(1) Stock of domestic corporations where owned by nonresidents of Delaware are not subject to taxation:

Shares of the capital stock of corporations created under the laws of this State, when owned by persons or corporations without this State, shall not be subject to taxation by any law now existing or hereafter to be made (art. IX, sec. 6, as amended).

(2) The general assembly may by general laws exempt from taxation such property as in its opinion will best promote the public welfare (art. VIII, sec. 1; see B-1-a).

(3) Real or personal property used for school purposes shall be exempt from taxation.

* * * provided, that all real or personal property used for school purposes, where the tuition is free, shall be exempt from taxation and assessment for public purposes (art. X, sec. 3).

2. INCOME TAXES

An income tax is imposed.

3. DEATH TAXES

An inheritance tax is imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed.

5. LICENSES

License or privilege taxes are imposed.

6. POLL TAXES

The General Assembly shall provide for levying and collecting a capitation tax from every citizen of the State of the age of twenty-one years or upwards; but such tax to be collected in any county shall be uniform throughout that county, and such capitation tax shall be used exclusively in the county in which it is collected (art. VIII, sec. 5; as amended, 1923).

C. SPECIFIC PROVISIONS (COUNTIES)

There are no specific provisions with reference to taxation in counties except the assessment provision in article VIII, section 7 (see A-1-(2)), and from the language as to uniformity of taxation "within the territorial limits of the authority levying the tax" (art. VIII, sec. 1; see par. B-1-a) it is manifest the framers of the constitution had in mind the legislature could and would provide for taxation within the subordinate divisions of the State. Furthermore, the schedule provides that all laws existing at the time the constitution takes effect shall remain in force until altered by future laws (sec. 18), and county and municipal taxation was thus provided for by statute. There are only three counties in the State.

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

The same remarks made in connection with counties in C above also apply to municipalities.

FLORIDA

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1885, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative authority is vested in the legislature of the State of Florida (art. III, sec. 1).

(b) The legislature shall provide for revenue for State expenses and for payment of the State debt:

The legislature shall provide for raising revenue sufficient to defray the expenses of the State for each fiscal year, and also a sufficient sum to pay the principal and interest of the existing indebtedness of the State (art. IX, sec. 2).

2. LEGISLATIVE LIMITATIONS

(a) Certain special laws may not be passed:

The legislature shall not pass special or local laws * * * for assessment and collection of taxes for State and county purposes: * * * (art. III, sec. 20).

(b) In such cases, all laws shall be general and of uniform operation:

In all cases enumerated in the preceding section all laws shall be general and of uniform operation throughout the State, but in all cases not enumerated or excepted in that section, the legislature may pass special or local laws except as now or hereafter otherwise provided in the Constitution: *Provided*, That no local or special bill shall be passed, unless notice of the intention to apply therefor shall have been published in the locality where the matter or thing to be affected may be situated, which notice shall state the substance of the contemplated law * * * (art. III, sec. 21). (Amendment, 1928.)

(c) General laws are required to be provided for incorporating "useful companies or associations": except as to a university, public schools, and a ship canal:

The legislature shall provide by general law for incorporating such educational, agricultural, mechanical, mining, transportation, mercantile, and other useful companies or associations as may be deemed necessary; but it shall not pass any special law on any such subject, and any such special law shall be of no effect: *Provided*, however, that nothing herein shall preclude special legislation as to a university or the public schools, or as to a ship canal across the State (art. III, sec. 25).

3. WIFE'S SEPARATE ESTATE

The wife's separate estate is recognized.

All property, real and personal, of a wife owned by her before marriage, or lawfully acquired afterward by gift, devise, bequest, descent, or purchase, shall be her separate property, and the same shall not be liable for the debts of her husband without her consent given by some instrument of writing executed according to the law respecting conveyances by married women (art. XI, sec. 1).

4. ALIEN PROPERTY RIGHTS

Foreigners, eligible to citizenship of the United States, are given the same property rights as citizens of Florida:

Foreigners who are eligible to become citizens of the United States under the provisions of the laws and treaties of the United States shall have the same rights as to the ownership, inheritance, and disposition of property in the State as citizens of the State, but the legislature shall have power to limit, regulate, and prohibit the ownership, inheritance, disposition, possession, and enjoyment of real estate in the State of Florida by foreigners who are not eligible to become citizens of the United States under the provisions of the laws and treaties of the United States (Declaration of Rights, sec. 18).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—A uniform and equal rate of taxation is required except as to intangibles:

The legislature shall provide for a uniform and equal rate of taxation, except that it may provide for special rate or rates on intangible property, but such special rate or rates shall not exceed five mills on the dollar of the assessed valuation of such intangible property, which special rate or rates, or the taxes collected therefrom, may be apportioned by the legislature, and shall be exclusive of all other State, county, district, and municipal taxes; and shall prescribe such regulations as shall secure a just valuation of all property, both real and personal, excepting such property as may be exempted by law for municipal, educational, literary, scientific, religious, or charitable purposes (art. IX, sec. 1; see also par. A-2-b).

(b) *School tax.*—A special tax is levied and apportioned annually for the support and maintenance of free public schools:

A special tax of one (1) mill on the dollar of all taxable property in the State, in addition to the other means provided, shall be levied and apportioned annually for the support and maintenance of public schools (art. XII, sec. 6).

(c) *Corporate property.*—Property of corporations, except those specifically mentioned, shall be taxed:

The property of all corporations, except the property of a corporation which shall construct a ship or barge canal across the peninsula of Florida, if the legislature should so enact, whether heretofore or hereafter incorporated, shall be subject to taxation unless such property be held and used exclusively for religious, scientific, municipal, educational, literary, or charitable purposes (art. XVI, sec. 16).

(d) *Rate limitation.*—The rate on intangible property shall not exceed five mills on the dollar of the assessed valuation (art. IX, sec. 2, par. B-1-a).

(e) *Exemptions.*—(1) Municipal, and property for certain other purposes: The legislature may exempt from taxation property for municipal, educational, literary, scientific, religious, or charitable purposes (art. IX, sec. 1; art. XVI, sec. 16; see pars. B-1-a-(2) and B-1-a-(1)).

(2) Widows and cripples to have certain exemptions:

There shall be exempt from taxation property to the value of five hundred dollars to every widow that has a family dependent on her for support, and to every person who is a bona fide resident of the State and has lost a limb or been disabled in war or by misfortune (art. IX, sec. 9).

(3) Household goods and personal effects of the head of a family:

* * * and there shall be exempt from taxation to the head of a family residing in this State, household goods and personal effects to the value of Five Hundred (\$500.00) Dollars (art. IX, sec. 11).

(4) *Homesteads:* No assessment for State, county, and municipal taxes shall be levied by the State or under its authority, upon the homestead of any person who is an actual citizen and resident of the State, and residing therein ordinarily for 9 months of the year when such homestead herein defined is actually used for home purposes and no other purpose, and where the market value of such homestead does not exceed the sum of \$5,000 (art. IX, sec. 13; amendment, 1934).

(5) Certain industrial and manufacturing plants are exempted from taxation for a period of 15 years:

For a period of fifteen years from the beginning of operation, all industrial plants which shall be established in this State on or after July 1, 1929, engaged primarily during said period in the manufacture of steel vessels, automobile tires, fabrics and textiles, wood pulp, paper, paper bags, fiber board, automobiles, automobile parts, aircraft, aircraft parts, glass and crockery manufacturers, and the refining of sugar and oils, and including by-products or derivatives incident to the manufacture of any of the above products, shall be exempt from all taxation, except that no exemption which shall become effective by virtue of this amendment shall extend beyond the year 1948 (art. IX, sec. 12, as amended, 1930 and 1934).

For a period of 15 years motion-picture studios and plants established in the State after July 1, 1933, the lands, buildings, and chattels used in connection therewith, as well as raw materials and finished products or films, shall be exempt from all ad valorem taxation.

The exemptions shall not apply to real estate except that occupied as the location of such industrial plants and buildings and property thereon, and for studios and plants, and such other buildings incidental to the operation thereof, together with such lands as required for housing officers and employees, and for warehouses, laboratories, cutting rooms, projection rooms, storage, trackage, shipping facilities, sets, and locations.

(6) Motor vehicles may be exempt from ad valorem taxes:

Motor vehicles, as property, shall be subject to only one form of taxation which shall be a license tax for the operation of such motor vehicles, which license tax shall be in such amount and levied for such purpose as the Legislature may, by law, provide, and shall be in lieu of all ad valorem taxes assessable against motor vehicles as personal property (art. IX, sec. 13; amendment, 1930).

2. INCOME TAXES

No tax * * * upon the income of residents or citizens of this State shall be levied by the State of Florida, or under its authority (art. IX, sec. 11).

3. DEATH TAXES

The original constitution prohibited death taxes, but by article IX, section 11, as amended, they are provided for to absorb deductions allowed under the Federal statute (art. IX, sec. 11, as amended, 1930).

4. FRANCHISE TAXES

Franchise taxes are imposed.

5. LICENSES

License taxes are authorized by the State and political subdivisions (art. IX, sec. 5, par. C-1-a; see par. B-d-(6) as to automobiles).

6. POLL TAXES

Poll taxes are authorized (art. IX, sec. 5, par. C-1-a).

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) Counties and incorporated municipalities shall be authorized to impose taxes for local purposes.

The Legislature shall authorize the several counties and incorporated cities or towns in the State to assess and impose taxes for county and municipal purposes, and for no other purposes, and all property shall be taxed upon the principles established for State taxation. But the cities and incorporated towns shall make their own assessments for municipal purposes upon the property within their limits. The Legislature may also provide for levying a special capitation tax, and a tax on licenses. But the capitation tax shall not exceed one dollar a year and shall be applied exclusively to common school purposes (art. IX, sec. 5).

(b) *School taxes.*—(1) County levy:

Each county shall be required to assess and collect annually for the support of the public free schools therein a tax of not less than three (3) mills, nor more than ten (10) mills on the dollar on all taxable property in the same. (Amendment of 1904. Joint Resolution 2, Acts 1903, making the maximum seven (7) mills, as amended by Joint Resolution 25, Acts 1917, and adopted at general election, 1918 (art. XII, sec. 8, as amended)).

(2) District levy:

The Legislature may provide for the division of any county or counties into convenient school districts * * * and for the levying and collection of a district school tax, for the exclusive use of public free schools within the district, whenever a majority of the qualified electors thereof that pay a tax on real or personal property shall vote in favor of such levy: *Provided*, That any tax authorized by this section shall not exceed ten mills on the dollar in any one year on the taxable property of the district (art. XII, sec. 10).

(c) *County taxing districts.*—

The Legislature shall by law authorize the County Commissioners of the several counties where it is deemed necessary for assessment purposes to divide their respective counties into taxation districts, and to appoint in, and for each district, an Assistant Assessor of Taxes, whose powers, duties, and compensation shall be prescribed by law * * * (art. VIII, sec. 7).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

Municipalities can only impose taxes for municipal purposes. Cities and towns may make their own assessments upon property within their limits. (See par. C-1-a, art. IX, sec. 5.)

2. ORGANIZATIONS

(a) The constitution empowers the legislature to establish and abolish municipalities and to provide for their government and to prescribe their powers:

The Legislature shall have power to establish, and to abolish, municipalities, to provide for their government, to prescribe their jurisdiction and powers, and to alter or amend the same at any time. When any municipality shall be abolished, provision shall be made for the protection of its creditors (art. VIII, sec. 8).

(b) An amendment to the above article, as section 10, was adopted in November 1936 with respect to a "municipal corporation to be known as the city of Key West," giving the legislature power to establish such municipality, provide for its government, taxation, etc.

GEORGIA

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1877, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative power of the State is vested in the general assembly (art. III, sec. 1, par. 1).

(b) The general assembly is empowered to make all laws not repugnant to the State or Federal Constitution which they deem necessary for the welfare of the State:

Par. XXII. The General Assembly shall have power to make all laws and ordinances consistent with this Constitution, and not repugnant to the Constitution of the United States, which they shall deem necessary and proper for the welfare of the State (art. III, sec. VII).

2. LEGISLATIVE LIMITATIONS

(a) The constitution declares taxation to be a sovereign and inalienable right of the people: That the right of taxation shall always be under the complete control of the State.

The right of taxation is a sovereign right, inalienable, indestructible, is the life of the State, and rightfully belongs to the people in all republican governments, and neither the General Assembly, nor any nor all other departments of the government established by this Constitution, shall ever have the authority to irrevocably give, grant, limit, or restrain this right; and all laws, grants, contracts, and all other acts whatsoever, by said government or any department thereof, to effect any of these purposes, shall be and are hereby declared to be null and void for every purpose whatsoever; and said right of taxation shall always be under the complete control of, and revocable by, the State, notwithstanding any gift, grant, or contract whatsoever by the General Assembly (art. IV, sec. I, par. I).

(b) The powers of taxation over the whole State shall be exercised by the general assembly for the following purposes only:

* * * * *

For the support of the State government and the public institutions.

For educational purposes, in instructing children in the elementary branches of an English education only.

To pay the interest on the public debt.

To pay the principal of the public debt.

To suppress insurrection, to repel invasion, and defend the State in time of war. * * *

And for aid, assistance, and pensions to ex-confederate soldiers, and to their widows and for other welfare benefits.

To construct and maintain a system of State highways (art. VII, sec. I, par. I; amended June 1937).

(c) The constitution forbids special legislation. Laws are to have uniform operation:

Laws of a general nature shall have uniform operation throughout the State, and no special law shall be enacted in any case for which provision

has been made by an existing general law. No general law affecting private rights shall be varied in any particular case by special legislation, except with the free consent, in writing, of all persons to be affected thereby; and no person under legal disability to contract is capable of such consent (art. I, sec. IV, par. I).

(d) *Special privileges or immunities are irrevocable except—*

No grant of special privileges or immunities shall be revoked except in such manner as to work no injustice to the corporators or creditors of the incorporation (art. I, sec. III, par. III).

3. WIFE'S SEPARATE ESTATE

All property of the wife at the time of her marriage, and all property given to, inherited, or acquired by her, shall remain her separate property, and not be liable for the debts of her husband (art. III, sec. XI, par. I).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity.*—Taxation is required to be uniform upon the same class of property: Classification of property and different rates and methods of taxation are authorized:

All taxes shall be levied and collected under general laws and for public purposes only. All taxation shall be uniform upon the same class of subjects within the territorial limits of the authority levying the tax. Classes of subjects for taxation of property shall consist of tangible property, and one or more classes of intangible personal property including money. The General Assembly shall have the power to classify property including money for taxation, and to adopt different rates and different methods for different classes of such property (art. VII, sec. 2, par. 1; amended June 8, 1937).

(b) *Special tax for sinking fund.*—

The General Assembly shall raise, by taxation, each year, in addition to the sum required to pay the public expenses and interest on the public debt, the sum of one hundred thousand dollars, which shall be held as a sinking fund to pay off and retire the bonds of the State which have not yet matured, and shall be applied to no other purpose whatever. * * * (art. VII, sec. 14, par. 1).

(c) *Corporate property.*—The constitution forbids the surrender or suspension of the power to tax corporations or corporate property:

The power to tax corporations and corporate property shall not be surrendered or suspended by any contract or grant to which the State shall be a party (art. VII, sec. II, par. 5).

(d) *Exemptions.*—Exemptions are provided for all public property, places of religious worship or burials, public charitable institutions; buildings of specified institutions of learning and other funds or property, not invested in real estate; the real and personal property of public libraries and of literary associations not used for private or corporate gain or income.

The legislature may also exempt from taxation farm products, including baled cotton, grown in this State, and remaining in the hands of the producers, but not longer than for the year next after their production.

A homestead to the value of \$2,000 is exempt to each citizen of the State, as is personal property to the value of \$300 (art. VII, sec 2; amended June 8, 1937).

2. INCOME TAX

An income tax is imposed (art. VII, sec. 2; see par. B 1-a).

3. DEATH TAXES

An inheritance tax is imposed (art. VII, sec. 2; see par. B 1-a).

4. FRANCHISE TAXES

Franchise taxes are imposed (art. VII, sec. 2; see par. B 1-a).

5. LICENSE TAXES

License taxes are imposed (art. VII, sec. 2; see par. B 1-a).

6. POLL TAX

No poll tax shall be levied except for educational purposes, and such tax shall not exceed one dollar annually upon each poll (art. VII, sec. II, par. 3).

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) Limitation of the taxing power of counties.—

The general assembly shall not have power to delegate to any county the right to levy a tax for any purpose, except for educational purposes; to build and repair the public buildings and bridges; to maintain and support prisoners; to pay sheriffs and coroners, and for litigation, quarantine, roads, and expenses of courts; to support paupers and pay debts heretofore existing; to pay the county police, and to provide for necessary sanitation, and for the collection and preservation of records of birth, death, diseases, and health, and to pay county agricultural and home demonstration agents (art. VII, sec. VI, par. 2; amended June 8, 1937).

(b) School taxes.—Authority is given to counties and municipal corporations to levy taxes for the support of common schools:

* * * The proper county authorities whose duty it is to levy taxes for county purposes in this State shall, * * * assess and collect taxes for the support of the public schools under its control not less than one nor more than five mills on the dollar of all taxable property of the county outside of independent local systems, * * *. An additional levy to that already allowed not to exceed five mills shall be permissible in independent local systems, municipalities, or school districts, on a two-thirds vote of those voting. No additional election shall be required to maintain any local school tax now in existence in districts, counties, or municipalities, provided this shall not apply to counties having a local school system of taxation adopted prior to the Constitution of 1877 (art. VII, sec. IV, par. 1).

Authorize a tax of 1½ mills for educational purposes by any county in the State having a city of not less than 200,000 inhabitants in its borders (art. 7, sec. 6, par. 2; amended June 1937).

(c) Special assessments.—(1) De Kalb County: An amendment adopted June 8, 1937, authorized the county of De Kalb to levy special assessments for purposes of fire prevention, sanitation, sewerage, etc. (art. 11, sec. 1, amended).

(2) Ware County: An amendment adopted June 8, 1937, authorized the county of Ware to impose an additional special tax not to exceed 1 mill for establishing a promotion fund for assisting, promoting, and encouraging the location of new industries therein (art. 7, sec. 6, par. 2).

(d) *Exemptions.*—Exemptions of ad valorem taxation for a period of 5 years by counties, incorporated towns, and cities for certain textile and other industries is authorized:

Any person, natural or artificial, a resident of this State, who may after January 1st, 1924, build, equip, establish, or enlarge a plant for the manufacture or processing of cotton, wool, linen, silk, rubber, clay, wood, metallic or non-metallic mineral or combination of same, creamery or cheese plant, or for the production or development of electricity, may, as to such building, enlargement, or equipment be exempt from all county, incorporated town, or city ad valorem taxes for a period of time not exceeding five (5) years from the date of the beginning of the building, enlargement, or equipment of such plants. * * * (art. VII, sec. II, par. II-A).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

The same provisions as set out under "Section C (counties)" likewise apply generally to municipalities.

By an amendment adopted June 8, 1937, the city of Waycross is authorized to impose an additional special tax not to exceed 1 mill for establishing a promotion fund for assisting, promoting, and encouraging the location of new industries therein (art. 7, sec. 6, par. 2).

IDAHO

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1890, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative power is vested in the legislature, reserving to the people the power of initiative and referendum (art. III, sec. 1).

2. LEGISLATIVE LIMITATIONS

(a) Local and special laws are prohibited as follows: For the assessment and collection of taxes; Affecting estates of deceased persons, minors, or other persons under legal disabilities; Exempting property from taxation; Changing the law of descent or succession; Creating any corporation (art. III, sec. 19).

(b) The grant of irrevocable special privileges or immunities is prohibited:

All political power is inherent in the people. Government is instituted for their equal protection and benefit, * * * and no special privileges or immunities shall ever be granted that may not be altered, revoked, or repealed by the legislature (art. I, sec. 2).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—(1) The legislature is required to levy taxes in proportion to the value of property:

The Legislature shall provide such revenue as may be needful, by levying a tax by valuation, so that every person or corporation shall pay a tax in proportion to the value of his, her, or its property, except as in this article

hereinafter otherwise provided. The legislature may also impose a license tax, both upon natural persons and upon corporations, other than municipal, doing business in this state; also a per capita tax: provided, the legislature may exempt a limited amount of improvements upon land from taxation (art. VII, sec. 2).

(2) Taxation is required to be uniform upon the same class, and is to be levied and collected under general laws:

All taxes shall be uniform upon the same class of subjects within the territorial limits, of the authority levying the tax, and shall be levied and collected under general laws, which shall prescribe such regulations as shall secure a just valuation for taxation of all property, real and personal; provided, that the legislature may allow such exemptions from taxation from time to time as shall seem necessary and just, and all existing exemptions provided by the laws of the territory, shall continue until changed by the legislature of the state: provided further, that duplicate taxation of property for the same purpose during the same year is hereby prohibited (art. VII, sec. 5).

(3) The taxation of lands belonging to citizens of the United States, residing in and outside the State of Idaho, shall be at the same rate.

* * * that the lands belonging to citizens of the United States, residing without the said state of Idaho, shall never be taxed at a higher rate than the lands belonging to the residents thereof. That no taxes shall be imposed by the state on the lands or property therein belonging to, or which may hereafter be purchased by, the United States, or reserved for its use * * * (art. XXI, sec. 19).

(b) *Corporate property*.—Corporations in, or doing business in, the State must be taxed for State, county, school, municipal, and all other purposes:

The power to tax corporations or corporate property, both real and personal, shall never be relinquished or suspended, and all corporations in this state or doing business therein, shall be subject to taxation for state, county, school, municipal, and other purposes, on real and personal property owned or used by them, and not by this constitution exempted from taxation within the territorial limits of the authority levying the tax (art. VII, sec. 8).

(c) *Definition of "property"*.—

The word "property" as herein used shall be defined and classified by law (art. VII, sec. 3).

(d) *Rate limitation*.—The tax rate for real and personal property for State purposes is not to exceed 10 mills on the dollar of assessed value:

The rate of taxation of real and personal property for state purposes shall never exceed ten mills on each dollar for assessed valuation, unless a proposition to increase such rate, specifying the rate proposed and the time during which the same shall be levied, shall have been submitted to the people at a general election, and shall have received a majority of all the votes cast for and against it at such election (art. VII, sec. 9).

(e) *Exemptions*.—(1) Property of the United States, the State of Idaho, counties, municipal corporations, and public libraries is exempt from taxation:

The property of the United States, the state, counties, towns, cities, and other municipal corporations and public libraries shall be exempt from taxation (art. VII, sec. 4; also art. XXI, sec. 19).

(2) The legislature may exempt a limited amount of improvements upon land from taxation. (See par. B-1-a.)

(3) The legislature may allow exemptions from taxation as shall seem necessary and just (art. VII, sec. 5). (See par. B-1-a.)

2. INCOME TAX

An income tax is imposed.

3. DEATH TAXES

An inheritance tax is imposed.

4. FRANCHISE TAXES

(a) The constitution reserves the power of taking property and franchises of incorporated companies and subjecting them to public use.

The right of eminent domain shall never be abridged, nor so construed as to prevent the legislature from taking the property and franchises of incorporated companies, and subjecting them to public use, the same as the property of individuals; and the police powers of the state shall never be abridged or so construed as to permit corporations to conduct their business in such manner as to infringe the equal rights of individuals, or the general well being of the state (art. XI, sec. 8; see also par. B-1-a).

(b) The legislature shall not pass any law permitting the transfer of any franchise so as to release or relieve the franchise or property held thereunder from any liabilities incurred in the operation, use, or privileges thereunder.

The legislature shall not pass any law permitting the leasing or alienation of any franchise so as to release or relieve the franchise or property held thereunder from any of the liabilities of the lessor or grantor, or lessee or grantee, contracted or incurred in the operation, use, or enjoyment of such franchise, or any of its privileges (art. XI, sec. 15).

(c) The use of all waters appropriated for sale, rental, or distribution is declared to be a public use (art. XV, sec. 1), and the right to collect compensation is declared to be a franchise, and to be exercised as prescribed by law.

The right to collect rates or compensation for the use of water supplied to any county, city, or town, or water district, or the inhabitants thereof, is a franchise, and cannot be exercised except by authority of and in the manner prescribed by law (art. XV, sec. 2).

5. LICENSE TAXES

License taxes are authorized by article VII, section 2. (See par. B-1-a.)

6. POLL TAXES

A per capita tax is authorized by article VII, section 2. (See par. B-1-a.)

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) The legislature shall not impose taxes for the purposes of counties and municipal corporations, but may invest the authorities thereof so to do:

The legislature shall not impose taxes for the purpose of any county, city, town, or other municipal corporation, but may by law invest in the corporate authorities thereof, respectively, the power to assess and collect taxes for all purposes of such corporation (art. VII, sec. 6).

(b) Corporations may be taxed for county and all other purposes on their real and personal property. (See par. B-1-b.)

(c) The legislature is required to provide for a system of county finance such as will cause the county business to be conducted on a cash basis:

The legislature shall provide by law, such a system of county finance, as shall cause the business of the several counties to be conducted on a cash basis. It shall also provide that whenever any county shall have any warrants outstanding and unpaid, for the payment of which there are no funds in the county treasury, the county commissioners, in addition to other taxes provided by law, shall levy a special tax, not to exceed ten mills on the dollar, of taxable property, as shown by the last preceding assessment, for the creation of a special fund for the redemption of said warrants * * * (art. VII, sec. 15).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(a) Municipalities may be vested with power to impose taxes for municipal purposes. (See par. C-1-a.)

(b) Corporations may be taxed for municipal and all other purposes. (See par. B-1-b.)

ILLINOIS

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1870, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative power is vested in the general assembly (art. IV, sec. 1).

2. LEGISLATIVE LIMITATIONS

(a) Local or special laws are prohibited:

Chartering or licensing ferries or toll bridges.

Granting to any corporation, association, or individual any special or exclusive privilege, immunity, or franchise whatever.

In all other cases where a general law can be made applicable, no special law shall be enacted (art. IV, sec. 22).

(b) Corporations must be created by general laws, except those for charitable, educational, penal, or reformatory purposes, which are under the control of the State:

No corporation shall be created by special laws, or its charter extended, changed, or amended, except those for charitable, educational, penal, or reformatory purposes, which are to be and remain under the patronage and control of the state, but the General Assembly shall provide, by general laws, for the organization of all corporations hereafter to be created (art. XI, sec. 1).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—

The General Assembly shall provide such revenue as may be needful by levying a tax, by valuation, so that every person and corporation shall pay a tax

in proportion to the value of his, her, or its property—such value to be ascertained by some person or persons to be elected or appointed in such manner as the General Assembly shall direct, and not otherwise; * * * (art. IX, sec. 1).

(*b*) *Exemptions.*—Public property, that used exclusively for agricultural and horticultural societies, for schools, religious, cemetery, and charitable purposes, may be exempted from taxation:

The property of the State, counties, and other municipal corporations, both real and personal, and such other property as may be used exclusively for agricultural and horticultural societies, for school, religious, cemetery, and charitable purposes, may be exempted from taxation; but such exemption shall be only by general law. In the assessment of real estate incumbered by public easement, any depreciation occasioned by such easement may be deducted in the valuation of such property (art. IX, sec. 3).

2. INCOME TAXES

The Illinois income tax has been declared unconstitutional.

3. DEATH TAXES

An inheritance tax is imposed.

4. FRANCHISE TAXES

(*a*) General assembly shall have power to tax:

* * * but the General Assembly shall have power to tax peddlers, auctioneers, brokers, hawkers, merchants, commission merchants, showmen, jugglers, inn-keepers, grocery-keepers, liquor-dealers, toll bridges, ferries, insurance, telegraph and express interests or business, vendors of patents, and persons or corporations owning or using franchises and privileges, in such manner as it shall from time to time direct by general law, uniform as to the class upon which it operates (art. IX, sec. 1).

(*b*) The specification of objects and subjects named above does not limit the legislative power to such objects and subjects:

The specification of the objects and subjects of taxation shall not deprive the General Assembly of the power to require other subjects or objects to be taxed, in such manner as may be consistent with the principles of taxation fixed in this Constitution (art. IX, sec. 2).

5. LICENSES

Licenses and privilege taxes are authorized (art. IX, sec. 1; see par. B-4).

6. POLL TAX

A poll tax of not less than \$1 nor more than \$3 is imposed and allocated to the road fund.

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(*a*) *Uniformity.*—

The General Assembly shall not impose taxes upon municipal corporations, or the inhabitants or property thereof, for corporate purposes, but shall require that all the taxable property within the limits of municipal corporations shall

be taxed for the payment of debts contracted under authority of law, such taxes to be uniform in respect to persons and property within the jurisdiction of the body imposing the same. Private property shall not be liable to be taken or sold for the payment of the corporate debts of a municipal corporation (art. IX, sec. 10).

(b) *Rate limitation.*—

County authorities shall never assess taxes, the aggregate of which shall exceed seventy-five cents per one hundred dollars valuation, except for the payment of indebtedness existing at the adoption of this constitution, unless authorized by a vote of the people of the county (art. IX, sec. 8).

2. ORGANIZATION AND GOVERNMENT

The constitution requires the general assembly to provide by general laws for township organization under which counties may organize. Under such an organization, provision is made for "the affairs of said county to be transacted in such manner as the general assembly may provide" (art. X, sec. 5).

The remainder of the section sets out provisions relating to administrative and governmental matters.

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(a) *Uniformity.*—See article IX, section 10, paragraph C-1-a.

(b) *Special assessments.*—

The General Assembly may vest the corporate authorities of cities, towns, and villages with power to make local improvements by special assessment or by special taxation of contiguous property or otherwise. For all other corporate purposes, all municipal corporations may be vested with authority to assess and collect taxes; but such taxes shall be uniform in respect to persons and property within the jurisdiction of the body imposing the same (art. IX, sec. 9).

(c) *City of Chicago.*—A plan for local government of the city of Chicago and for assessment, levy, and collection of taxes was authorized by an amendment to the constitution, 1904.

E. DRAINAGE DISTRICTS

Organization of drainage districts may be provided for, and for special assessments upon the property benefited thereby:

The General Assembly may pass laws permitting the owners of lands to construct drains, ditches, and levees * * * and to keep in repair all drains, ditches, and levees heretofore constructed under the laws of this State, by special assessments upon the property benefited thereby (art. IV, sec. 31).

NOTE.—Tax rates are fixed by the various governmental agencies and certified to the several county clerks. Counties are supposed to be the units for the assessment of taxes.

INDIANA

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1851, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative authority is vested in the general assembly (art. 4, sec. 1).

2. LEGISLATIVE LIMITATIONS

(a) Local or special laws are forbidden—

Regulating county and township business.

For the assessment and collection of taxes for State, county, township, or road purposes (art. 4, sec. 22).

(b) In all the cases enumerated in the preceding section, and in all other cases where a general law can be made applicable, all laws shall be general and of uniform operation throughout the State (art. 4, sec. 23).

(c) Corporations, other than banking, shall not be created by special act, but may be formed under general laws (art. 11, sec. 13).

(d) The general assembly shall not grant to any citizen, or class of citizens, privileges or immunities which, upon the same terms, shall not equally belong to all citizens (art. 1, sec. 23).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—

The General Assembly shall provide, by law, for a uniform and equal rate of assessment and taxation; and shall prescribe such regulations as shall secure a just valuation for taxation of all property, both real and personal, excepting such only for municipal, educational, literary, scientific, religious, or charitable purposes, as may be specially exempted by law (art. 10, sec. 1).

(b) *School taxes.*—

* * * Taxes on the property of corporations, that may be assessed by the General Assembly for common school purposes (art. 8, sec. 2).

(c) *Exemptions.*—Property of municipalities, educational, literary, scientific, religious, or charitable organizations may be exempted from taxation (art. 10, sec. 1; see par. B-1-a).

2. INCOME TAX

A gross income tax is imposed.

3. DEATH TAXES

An inheritance tax is imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed.

5. LICENSE TAXES

License taxes are also imposed.

6. POLL TAX

Poll taxes are imposed.

C. SPECIFIC PROVISIONS (COUNTY)

1. PROPERTY TAXES

(a) *Assessment of taxes.*—(1) The general assembly may pass general laws for the regulation of county and township business and for assessment and collection of taxes for county purposes (art. 4, sec. 22, par. A-2-a).

(2) Property is assessed by the township assessors, subject to review by the county assessor and the county boards of review, and State board of tax commissioners.

2. LOCAL GOVERNMENT

County boards may be vested with powers of a local administrative character.

The General Assembly may confer upon the boards doing county business in the several counties, powers of a local, administrative character (art. 6, sec. 10).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

Municipalities must be formed under general laws (par. A-2-c), and property assessed by township assessors. (See par. 1-a (2) above.)

IOWA

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1857, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative authority is vested in the general assembly (art. III, sec. 1).

2. LEGISLATIVE LIMITATIONS

(a) All laws of general nature shall have a uniform operation.

All laws of general nature shall have a uniform operation; the general assembly shall not grant to any citizen, or class of citizens, privileges or immunities, which, upon the same terms shall not equally belong to all citizens (art. I, sec. 6).

(b) The general assembly shall not pass local or special laws in the following cases: For the assessment and collection of taxes for State, county, or road purposes; for the incorporation of cities and towns; in all cases above enumerated, and in all other cases where a general law can be made applicable, all laws shall be general, and of uniform operation throughout the State; * * * (art. III, sec. 30).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—All laws of general nature shall have a uniform operation:

All laws of a general nature shall have a uniform operation; the general assembly shall not grant to any citizen, or class of citizens, privileges or immunities, which, upon the same terms shall not equally belong to all citizens (art. I, sec. 6).

(b) *Corporate property.*—Property of corporations is to be taxed as is that of individuals:

The property of all corporations for pecuniary profit, shall be subject to taxation the same as that of individuals (art. VIII, sec. 2).

(c) *School taxes.*—The educational interests of the State shall be under the management of a board of education (art. IX, sec. 1) whose powers are administrative, and whose acts are subject to amendment or repeal by the general assembly (sec. 8). The board is without power to levy taxes, and the general assembly shall provide for the board's expenses. The control and management of educational and school funds and property is in the general assembly:

NOTE.—There are few provisions in the Iowa constitution specifically referring to taxation.

The legislature fixes the amount of money necessary for general state purposes, and the board of assessment fixes the rate to be levied on the valuation of the taxable property in the state. This is levied by the county boards of supervisors, together with the levy necessary for local purposes.

2. INCOME TAXES

An income tax is imposed.

3. DEATH TAXES

An inheritance tax and an estate tax to absorb the 80-percent credit allowed under the Federal estate tax law is imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed on domestic and foreign corporations.

5. LICENSE TAXES

License taxes are imposed.

6. POLL TAXES

No poll tax is imposed.

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) *Power to tax.*—By article XII, section 2, provisions in effect with respect to taxation by counties and other subdivisions prior to the adoption of the constitution of 1857 were continued, and by legislative authority all such subdivisions may impose property and license taxes.

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

The remarks in the note to paragraph C herein also apply to municipalities.

E. DRAINAGE DISTRICTS

The construction of drains, ditches, and levees for agricultural, sanitary, or mining purposes and special assessments upon the property benefited is authorized (art. 1, sec. 18, amended, 1908).

KANSAS

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1859, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative power is vested in the legislature (art. 2, sec. 1).

2. LEGISLATIVE LIMITATIONS

(a) Granting irrevocable special privileges and immunities is forbidden:

All political power is inherent in the people, and all free governments are founded on their authority, and are instituted for their equal protection and benefit. No special privileges or immunities shall ever be granted by the legislature, which may not be altered, revoked, or repealed by the same body; and this power shall be exercised by no other tribunal or agency (bill of rights, sec. 2).

(b) Special laws may not be enacted where a general law can be made applicable:

All laws of a general nature shall have a uniform operation throughout the state; and in all cases where a general law can be made applicable, no special law shall be enacted; and whether or not a law enacted is repugnant to this provision of the constitution shall be construed and determined by the courts of the state (art. 2, sec. 17).

3. WIFE'S SEPARATE ESTATE

The legislature shall provide for the protection of the rights of women, in acquiring and possessing property, real, personal, and mixed, separate and apart from the husband; and shall also provide for their equal rights in the possession of their children (art. 15, sec. 6).

4. ALIEN PROPERTY RIGHTS

(See par. B-1-a-(2))

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) Uniformity and valuation.—(1):

The legislature shall provide for a uniform and equal rate of assessment and taxation, except that mineral products, money, mortgages, notes, and other evidences of debt may be classified and taxed uniformly as to class as the legislature shall provide * * * (art. 11, sec. 1, as amended, 1924; see also par. A-2c).

(2) By the ordinance to the constitution of 1859, the State of Kansas relinquished any right to tax lands therein owned by the United States and guaranteed to impose no tax upon nonresidents higher than that upon residents of the State, and section 17 of the bill of rights forbids any distinction in reference to ownership and descent of property as between citizens of Kansas and citizens of other States; however, the rights of aliens in this regard may be regulated.

(b) *School taxes.*—A permanent tax for the use and benefit of State educational institutions is authorized (art. 6, sec. 10).

(c) *Highway tax.*—By an amendment (1928), the State was authorized to levy special taxes for road and highway purposes on motor vehicles and motor fuels (art. 11, sec. 9).

(d) *Exemptions.*—(1) Lands of the United States: The State relinquishes any right to tax lands owned by the United States. (See par. B-1-a-(2)).

(2) Homestead exemption: Farming lands to the extent of 160 acres, or 1 acre within an incorporated municipality, occupied by the owner as a residence, with the improvements thereon, is exempt from forced sale, except for taxes and purchase money (art. 15, sec. 9).

(3) Other exempt property:

* * * All property used exclusively for state, county, municipal, literary, educational, scientific, religious, benevolent, and charitable purposes, and personal property to the amount of two hundred dollars for each family, shall be exempted from taxation (art. 11, sec. 1, amended).

2. INCOME TAX

A constitutional amendment, authorizing an income tax, was ratified November 1932 (art. 11, new section).

3. DEATH TAXES

An inheritance tax is imposed, and was amended in 1930 so as to permit a deduction of the Federal tax before determining the State tax.

4. FRANCHISE TAXES

Franchise taxes are imposed.

5. LICENSE TAXES

License taxes are imposed by the State and municipalities.

6. POLL TAXES

Poll taxes are imposed.

C. SPECIFIC PROVISIONS (COUNTIES)

The legislature may give powers of local legislation to county tribunals:

The legislature may confer upon tribunals transacting the county business of the several counties such powers of local legislation and administration as it shall deem expedient (art. 2, sec. 21).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

Organization of cities, towns, and villages shall be by general law and their power of taxation and assessment restricted:

Provision shall be made by general law for the organization of cities, towns, and villages; and their power of taxation, assessment, borrowing money, contracting debts, and loaning their credit shall be so restricted as to prevent the abuse of such power (art. 12, sec. 5).

KENTUCKY

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1891, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative power is vested in the general assembly (sec. 29).

2. LEGISLATIVE LIMITATIONS

(a) The general assembly shall not pass certain laws:

The General Assembly shall not pass local or special acts * * *.

To authorize or to regulate the levy, the assessment or the collection of taxes, * * * change the laws of descent distribution or succession * * *.
* * * to license companies or persons to own or operate ferries, bridges, roads, or turnpikes; * * * (sec. 59).

(b) Grants of exclusive, separate public emoluments or privileges shall not be made, nor property exempted from taxation except as provided in the constitution:

All men, when they form a social compact, are equal; and no grant of exclusive, separate public emoluments or privileges shall be made to any man or set of men, except in consideration of public services; but no property shall be exempt from taxation except as provided in this Constitution, and every grant of a franchise, privilege, or exemption shall remain subject to revocation, alteration, or amendment (sec. 3).

(c) No special or local act shall repeal any part of certain general acts:

The General Assembly shall not * * * enact any special or local act by the repeal in part of a general act, or by exempting from the operation of a general act any city, town, district, or county * * *.

No law * * * (with certain exceptions) shall be enacted to take effect upon the approval of any other authority than the general assembly * * * (sec. 60).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—(1) An annual tax shall be levied for State expenses, and taxes shall be uniform upon all property of the same class within the limits of the taxing authority;

The General Assembly shall provide by law an annual tax, which, with other resources, shall be sufficient to defray the estimated expenses of the Commonwealth for each fiscal year. Taxes shall be levied and collected for public purposes only and shall be uniform upon all property of the same class subject to taxation within the territorial limits of the authority levying the tax; and all taxes shall be levied and collected by general laws.

The General Assembly shall have power to divide property into classes and to determine what class or classes of property shall be subject to local taxation. Bonds of the state and of counties, municipalities, taxing and school districts shall not be subject to taxation.

Any law passed or enacted by the General Assembly pursuant to the provisions of or under this amendment, or amended section of the Constitution, classifying property and providing a lower rate of taxation on personal property, tangible or intangible, than upon real estate shall be subject to the referendum power of the people, which is hereby declared to exist to apply only to this section, or amended section * * * (sec. 171, amended 1915).

(2) All property shall be taxed in proportion to its value and shall pay the same rate. Income, franchise, and license taxes are authorized:

All property, whether owned by natural persons or corporations, shall be taxed in proportion to its value, unless exempted by this Constitution; and all corporate property shall pay the same rate of taxation paid by individual property. Nothing in this Constitution shall be construed to prevent the General Assembly from providing for taxation based on income, licenses, or franchises (sec. 174).

(3) All taxable property shall be assessed at its fair cash value:

All property, not exempted from taxation by this constitution, shall be assessed for taxation at its fair cash value, estimated at the price it would bring at a fair voluntary sale * * * (sec. 172).

(b) The general assembly shall provide for an efficient system of common schools (sec. 183).

(c) *Exemptions.*—(1) No property shall be exempt from taxation except as provided in the constitution (sec. 3; see par. A-1-b).

(2) Public property, places of religious worship, cemeteries not held for profit, charitable and educational institutions not used for profit, public libraries, parsonages occupied by the minister of any religion, and personal property of the head of a family not exceeding \$250 in value are exempted from taxation (sec. 170).

(3) Bonds of the State, counties, municipalities, and taxing and school districts shall not be subject to taxation (sec. 171; see par. B-1-a).

(4) Manufacturing establishments may be exempted from taxation by incorporated cities and towns for a period not to exceed 5 years (sec. 170; see par. D-1-a).

2. INCOME TAX

An income tax is imposed and authorized by section 174. (See par. B-1-a-(2).)

3. DEATH TAXES

An inheritance tax is imposed.

4. FRANCHISE TAXES

The constitution authorizes franchise taxes (sec. 3, see par. A-1-b; sec. 174, see par. B-1-a-(2)).

5. LICENSE TAXES

The constitution authorizes license taxes (sec. 174; see par. B-1-a-(2)).

6. POLL TAX

Counties, cities, or towns may levy a poll tax not exceeding \$1.50:

The General Assembly may authorize the counties, cities, or towns to levy a poll tax not exceeding one dollar and fifty cents per head. * * * (sec. 180).

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) *Power of taxation.*—The general assembly may authorize counties, cities, and towns to levy and collect taxes and in some instances to impose certain taxes in lieu of ad valorem taxes:

The General Assembly shall not impose taxes for the purpose of any county, city, town, or other municipal corporation, but may by general laws confer on the proper authorities thereof, respectively, the power to assess and collect such taxes. The General Assembly may, by general laws only, provide for the payment of license fees on franchises, stock used for breeding purposes, the various trades, occupations, and professions, or a special or excise tax; and may, by general laws, delegate the power to counties, towns, cities, and other municipal corporations to impose and collect license fees on stock used for breeding purposes, on franchises, trades, occupations, and professions. And the General Assembly may, by general laws only, authorize cities or towns of any class to provide for taxation for municipal purposes on personal property, tangible and intangible, based on the income, licenses, or franchises, in lieu of an ad valorem tax thereon: *Provided*, Cities of the first class shall not be authorized to omit the imposition of an ad valorem tax on such property or any steam railroad, street railway, ferry, bridge, gas, water, heating, telephone, telegraph, electric light, or electric power company (sec. 181 (a); amended 1903).

(b) *Rate limitation.*—Tax rates and debts of counties and other political subdivisions are limited:

The tax rate of cities, towns, counties, taxing districts, and other municipalities, for other than school purposes, shall not, at any time, exceed the following rates upon the value of taxable property therein, viz.: For all towns or cities having a population of fifteen thousand or more, one dollar and fifty cents on the hundred dollars; for all towns or cities having less than fifteen thousand and not less than ten thousand, one dollar on the hundred dollars; for all towns or cities having less than ten thousand, seventy-five cents on the

hundred dollars; and for counties and taxing districts, fifty cents on the hundred dollars; unless it should be necessary to enable such city, town, county, or taxing district to pay the interest on, and provide a sinking fund for extinction of, indebtedness contracted before the adoption of this Constitution. No county, city, town, taxing district, or other municipality shall be authorized or permitted to become indebted, in any manner or for any purpose, to an amount exceeding, in any year, the income and revenue provided for such year, without the assent of two-thirds of the voters thereof, voting at an election to be held for that purpose; and any indebtedness contracted in violation of this section shall be void. * * * (sec. 157).

(c) *Road taxes*.—Counties may be authorized to incur an indebtedness not to exceed 5 percent of the value of the taxable property therein for road purposes, upon the assent of the voters, and to levy an additional tax rate not exceeding 20 cents on the \$100 of the assessed valuation of the taxable property, for the payment of such indebtedness (sec. 157a; amended 1909).

(d) *Taxes for sinking fund*.—Whenever any county or taxing district is authorized to contract an indebtedness, it shall be required to provide an annual tax sufficient to create a sinking fund for the payment of such debt:

Whenever any county, city, town, taxing district, or other municipality is authorized to contract an indebtedness, it shall be required, at the same time, to provide for the collection of an annual tax sufficient to pay the interest on said indebtedness, and to create a sinking fund for the payment of the principal thereof, within not more than forty years from the time of contracting the same (sec. 159).

2. FRANCHISE AND PRIVILEGE TAXES

No county or taxing district can grant any franchise or privilege for a term longer than 20 years:

No county, city, town, taxing district, or other municipality shall be authorized or permitted to grant any franchise or privilege, or make any contract in reference thereto, for a term exceeding twenty years. * * * This section shall not apply to a trunk railway (sec. 164; see par. C-1-a).

D. SPECIFIC PROVISIONS (MUNICIPALITIES AND OTHER TAXING DISTRICTS)

1. PROPERTY TAXES

(a) The provisions with respect to counties is set forth in section C likewise apply to municipalities and other taxing districts, except as to particulars mentioned in the several subsections.

(b) *Exemptions*.—The general assembly may authorize any incorporated city or town to exempt manufacturing establishments from municipal taxation for a period not exceeding 5 years:

* * * The General Assembly may authorize any incorporated city or town to exempt manufacturing establishments from municipal taxation, for a period not exceeding five years, as an inducement to their location (sec. 170).

2. ORGANIZATION OF MUNICIPALITIES

The cities and towns of the Commonwealth are divided into six classes according to population. The general assembly shall provide how they shall be organized. Municipalities of the same class shall have the same powers and restrictions (sec. 156).

LOUISIANA

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1921, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative power of the State is vested in the legislature (art. III, sec. 1).

2. LEGISLATIVE LIMITATIONS

(a) The legislature shall not pass local or special laws on the following subjects:

* * * Changing the law of descent or succession.

Creating corporations, or amending, renewing, extending, or explaining the charters thereof; provided, this shall not apply to municipal corporations having a population of not less than twenty-five hundred inhabitants, or to the organization of levee districts and parishes, river improvement districts, harbor improvement districts, and navigation districts.

Granting to any corporation, association, or individual any special or exclusive right, privilege, or immunity.

Exempting property from taxation. * * * (art. IV, sec. 4).

(b) Perpetual franchises or privileges are prohibited:

Perpetual franchises or privileges shall not be granted to any person or corporation by the State or by any political subdivision thereof (art. XIII, sec. 7).

(c) The power of taxation shall never be surrendered, suspended or contracted away (art. X, sec. 1).

(d) Forced heirships are protected, but certain trust estates are authorized:

No law shall be passed abolishing forced heirship or authorizing the creation of substitutions, *fidci commissa* or trust estates; except that the Legislature may authorize the creation of trust estates for a period not exceeding ten years after the death of the donor; provided that where a natural person is the direct beneficiary said period may be made to extend until ten years after his majority; and provided further, that this prohibition as to trust estates or *fidci commissa* shall not apply to donations strictly for educational, charitable, or religious purposes (art. IV, sec. 16).

3. ALIEN PROPERTY RIGHTS

No alien, who is ineligible to citizenship of the United States shall be permitted or allowed or shall have any right whatsoever to acquire by purchase, devise, inheritance, lease, assignment, gift or otherwise, or shall own or control, directly or indirectly, in his or her name, or through another interposed or by means of any corporation or association, or through ownership in his or her own name or through another of any stock or other form of security, any land or real property or any real rights or interests therein, including mortgage rights, of any kind or character whatsoever within the State of Louisiana. The Legislature may pass any additional legislation to carry the purpose of this section into effect (art. XIX, sec. 21).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—(1) All taxes shall be uniform and no property shall be assessed for more than its actual cash value:

* * * and all taxes shall be uniform upon the same class of subjects throughout the territorial limits of the authority levying the tax, and shall be levied and collected for public purposes only. No property shall be assessed for more than its actual cash value, ascertained as directed by law, and all taxpayers shall have the right of testing the correctness of their assessments before the courts at the domicile of the assessing authority. The valuation and classification fixed for State purposes shall be the valuation and classification for local purposes; but the taxing authorities of the local sub-division may adopt a different percentage of such valuation for purposes of local taxation. * * * (art. X, sec. 1, Amd. 1934).

(2) Real estate shall be valued at actual cash value:

All real estate, exempt as well as taxable, shall be valued at actual cash value, listed on the assesment rolls and submitted to the Louisiana Tax Commission (art. X, sec. 12).

(b) *School taxes.*—A State educational system is provided for (art. XII): (1) Taxes specifically authorized for this purpose are a two and one-half ad valorem state wide property tax. A prescribed residue of the state severance tax fund; the proceeds of particular taxes now or hereafter levied; proceeds of a 1½-cent gallongage tax on motor fuels and the legislature shall provide by other tax levies, or otherwise a minimum state school fund of \$10,000,000. Apportionment of school funds are to be made to the parish schools (art. XII, sec. 14; amended 1934).

(2) Special provisions are enacted as to a State university and State colleges (art. XII, sec. 17).

NOTE.—The provisions with respect to taxes for State, parish, and municipal schools as to special taxes, exceptions, rates, etc., are so related each to the other, that it will be necessary to consider article XII of the constitution in its entirety, as the same is now amended, in order to have a full understanding of taxation for educational purposes.

(c) *Highway and bridge taxes.*—(1) Detailed provisions are made for a highway and bridge fund. Funds are provided largely from specific taxes.

(2) An Amendment (1936) authorizes a 30-million-dollar bond issue and allocates certain taxes for the retirement thereof, and also apportions the distribution of the fund (art. VI, sec. 22; see also License Tax, par. B-5-(2)).

(d) *Corporations and corporate property.*—(1) Banks and banking: Banks organized under the Federal Reserve Act and others domiciled outside the State may pay a franchise tax in lieu of taxes other than a tax on real estate (art. X, sec. 9; see par. B-4-b).

(2) Rolling Stock owned outside the State: Rolling stock operated within the state but owned elsewhere shall be taxed for state purposes only:

Rolling stock operated in this State, the owners of which have no domicile therein, shall be assessed by the Louisiana Tax Commission, and shall be taxed for State purposes only, at a rate not to exceed forty mills on the dollar of assessed value (art. X, sec. 16).

(3) Creation of corporations: General laws are required to be enacted for the creation and regulation of corporations:

The Legislature shall enact general laws for the creation and regulation of corporations and for the prohibition of monopolies; and shall provide also for the protection of the public, and of the individual stockholders (art. XIII, sec. 5).

(e) *Confederate veterans's pensions.*—A tax levy of three-fourths of 1 mill on the dollar is provided on all taxable property in the State, to provide for pensions to Confederate veterans and their widows (art. XVIII, sec. 3).

(f) *Levee taxes.*—An annual State tax may be levied exclusively for maintenance and repair of levees:

A levee system, as now organized, or as hereafter created, shall be maintained and an annual tax not to exceed one-half mill on the dollar may be levied on all taxable property throughout the State, to be applied exclusively to the maintenance and repair of levees (art. XVI, sec. 1).

(g) *Drainage district taxes.*—Creation of drainage districts is authorized for purposes of reclamation. The imposition of taxes and forced contributions is also authorized. Authority to delegate certain powers to agencies is given (art. XV, sec. 1).

(h) *Rate limitations.*—The rate of State taxation on property shall not exceed $5\frac{3}{4}$ mills in any one year:

The rate of State taxation on property for all purposes shall not exceed, in any one year, five and one-quarter mills on the dollar of its assessed value; provided, the Legislature may, by a vote of two-thirds of the members elected to each house, increase such rate to not more than five and three-quarter mills on the dollar (art. X, sec. 3).

(i) *State severance tax on natural resources.*—(1) A severance tax is authorized to be levied on the natural resources of the State, but the tax may not be imposed by any political subdivisions:

Taxes may be levied on natural resources severed from the soil or water, to be paid proportionately by the owners thereof at the time of severance. Such natural resources may be classified for the purpose of taxation and such taxes predicated upon either the quantity or value of the product at the time and place where it is severed. No severance tax shall be levied by any parish or other local subdivision of the State.

No further or additional tax or license shall be levied or imposed upon oil, gas, or sulphur leases or rights, nor shall any additional value be added to the assessment of land, by reason of the presence of oil, gas, or sulphur therein or their production therefrom. * * *

The Legislature shall provide for the distribution of the funds allocated to the parishes under this provision among the governing authorities of such parishes as have jurisdiction over the territory from within which such resources are severed and tax collected * * * (art. X, sec. 21; amended).

(2) A severance tax in lieu of other taxes, is authorized for the purpose of encouraging reforestation.

* * * For the purpose of encouraging the reforestation of denuded lands, contracts fixing the assessed valuation of the specific lands for the duration of the agreements, and fixing a total severance tax based on the value of forest products when severed, three-fourths of which shall go to the parish where they are severed, and which severance tax, for a period not to exceed fifty years from the date of such contract, shall be in lieu of all other taxes on said forest products, are hereby authorized under such regulations, terms, and conditions as may be prescribed by law; and the regulations, terms, and conditions of such contracts as may be authorized may be made retroactive by the consent of the parties as respects the limit of taxation, on contracts theretofore entered into * * * (art. X, sec. 1, amended).

(j) Exemptions.—

The following property, and no other, shall be exempt from taxation:

All public property; property for religious worship; property of various charitable, fraternal, athletic organizations not used for profit; schools and colleges; cash and certain securities; obligations of the state and subdivisions; certain debts; household property to \$1,000 in value; property of the National Guard; legal reserves of life insurance companies organized under State laws; certain agricultural products and property; certain property kept in a public hall; property of certain enterprises conducted for public welfare and not operated for profit of the owners; certain ships and vessels. For limited periods and under prescribed limitations, capital stock and franchises of corporations within the State operating a combined system of irrigation, navigation, and hydro-electric power; pipe lines and pumping plants for natural gas; manufacturing or commercial industries on the New Orleans Navigation Canal. There are also exempted from State, parish, and special taxes, all motor vehicles used on the public highways, and certain homestead exemptions. The last two exemptions are coupled with and dependent upon prescribed conditions.

A State Board of Commerce is authorized who may have power to grant exemptions to the owners of new industries or for additions to industries already existing in the State. A similar provision is made with respect to exemptions from local taxes by the several taxing authorities of political subdivisions. An additional paragraph is added exempting from taxation certain bridges across the Mississippi River, hereafter to be built (art. X, secs. 4 and 22, amended 1936; and art. XI, sec. 1 (homesteads)).

2. INCOME TAX

* * * Equal and uniform taxes may be levied upon net incomes, and such taxes may be graduated according to the amount of the net income. Public officials shall not be exempted. Reasonable exemptions may be allowed * * * (art. X, sec. 1, amended 1934).

3. DEATH TAXES

Taxes upon inheritances, legacies, and donations or gifts made in contemplation of death, may be graduated, classified, or progressive; provided such taxes shall not exceed three per cent as to ascendants, descendants, or surviving spouse; ten per cent as to collateral heirs; or fifteen per cent as to others; and exemptions to a reasonable amount may be allowed. Donations and legacies to charitable, religious, or educational institutions located within the State shall be exempt from such tax (art. X, sec. 7).

4. FRANCHISE TAXES

(a) Franchise taxes are imposed by the State and subdivisions. License and franchises are not always clearly distinguished.

(b) Special taxes are imposed on banks and banking:

Each bank organized under Section 25 (a) of the Federal Reserve Act and each banking association, banking corporation, or bank, doing business in this State and domiciled outside thereof, which may in its own name, or in the name of an agent or representative, engage in this State in the business of lending money or dealing in bills of exchange exclusively, shall pay, annually, in lieu of all other taxes, except on its real estate, five hundred dollars license and five per cent on the gross amount of interest earned, including discount, one-half thereof to go to the State and the other half to the municipality wherein it has its principal office in this State (art. X, sec. 9).

5. LICENSE TAXES

License taxes are imposed by the State and subdivisions.

(1) The general provisions and exemptions are as follows:

License taxes may be levied on such classes of persons, associations of persons, and corporations pursuing any trade, business, occupation, vocation, or profession, as the Legislature may deem proper, except clerks, laborers, ministers of religion, school teachers, graduated trained nurses, those engaged in mechanical, agricultural, or horticultural pursuits, or in operating saw mills. Such license taxes may be classified, graduated, or progressive. No political subdivision shall impose a greater license tax than is imposed for State purposes, provided that this restriction shall not apply to dealers in malt, vinous, distilled, alcoholic, spirituous, or intoxicating liquors; but when an income tax is levied by the State, in lieu of State license taxes, this shall not prohibit the levy by the political subdivisions of the State of such license taxes as the Legislature may authorize. Those who pay municipal license taxes equal in amount to such taxes levied by the parochial authorities shall be exempt from such parochial license taxes (art. X, sec. 8, amended 1934).

(2) Licenses for highway and bridge purposes: Taxes for this purpose are a graded license tax on motor vehicles according to their use, based upon horsepower, carrying capacity, or weight (based upon any or all of these measures), and upon all substances used for generation of motor power. The parishes of the State are relieved from all charges for the construction and maintenance of State highways. If necessary to produce revenue sufficient to retire highway bonds the legislature is authorized—

to levy a tax upon any commodity, etc., which may be sold or used to generate or supply motor fuel or other power for transportation, to levy such tax or license, or both, as may be necessary * * * (art. VI, sec. 22, amended 1934, 1936).

6. POLL TAXES

A poll tax is imposed for aid of public schools of the parish where collected (art. VIII, sec. 2).

C. SPECIFIC PROVISIONS (PARISHES, COUNTIES)

1. PROPERTY TAXES

(a) Parochial and municipal corporations and public boards may exercise the power of taxation under legislative authority, for parish, municipal, and local purposes:

Parochial and municipal corporations and public boards may exercise the power of taxation, subject to such limitations as may be elsewhere provided in this Constitution, under authority granted to them by the Legislature for parish, municipal, and local purposes, strictly public in their nature. The provisions of this section shall not apply to, nor affect, similar grants to such political subdivisions under other sections of this Constitution which are self-operative (art. X, sec. 5).

(b) *School Taxes*.—(See note, par. B-1-b.)

(1) An annual ad valorem parish-wide tax for school purposes is required to be levied on all property subject to taxation. (See next following paragraph.)

(2) Special parish school taxes are imposed on 100 percent of the assessed valuation of property for State taxation purposes (art. XII, sec. 15).

(c) *Special taxes for public improvements.*—For works of permanent public improvement any political subdivision may levy special taxes in excess of the constitutional limitations (art. XIV, secs. 8 and 11) and also for additional support to public schools. Additional rates are fixed and special provisions enacted with respect to Sabine and Caddo Parishes and the city of New Orleans (art. X, sec. 10, amended 1936).

(d) *Special taxes in aid of public enterprises.*—Parishes and municipalities may be authorized to levy taxes in aid of railway enterprises, water-transportation lines, waterworks, or electric-power plants, at a rate not to exceed 5 mills per annum:

The Legislature shall have the power to enact general laws authorizing the parochial, ward, and municipal authorities of the State by a vote of the majority of the property taxpayers in number entitled to vote under the provisions of this Constitution, and, in value, to levy special taxes in aid of railway enterprises, water transportation lines, waterworks, or electric light or power plants; provided, that such tax shall not exceed the rate of five mills per annum nor extend for a longer period than ten years; and provided further, that no taxpayer shall be permitted to vote at such election unless he shall have been assessed for property the year previous in the parish, ward, or municipality to be affected (art. XIV, sec. 19).

(e) *Special taxes for streets, sewers, etc.*—The legislature may confer upon municipalities and other political subdivisions authority to levy local or special assessments on real property for road, sidewalk, sewers, and similar works of public improvement:

Nothing in this Constitution shall prohibit the Legislature from conferring upon municipalities and other subdivisions the authority to levy and collect local or special assessments on real property, for the purpose of constructing, paving, surfacing, or otherwise improving roads, streets, sidewalks, alleys, sewers, or other similar works of public improvement, in pursuance of methods and regulations prescribed by the Legislature (art. X, sec. 13).

(f) *Taxes for payment of certain bonded debts.*—The taxing officials may be authorized to levy taxes for payment of the bonded debt of the political subdivisions of the State:

The Legislature may authorize the taxing officers of the State to impose and collect taxes required for the payment of the principal or interest of any bonded debt of any parish, municipal corporation, road, subroad, drainage, subdrainage, irrigation district, or school district, and may authorize the taxing officers of the parish to impose and collect taxes required for the payment of the principal and interest of any bonded debt of any school district, road, sub-road, sewerage, or drainage, sub-drainage, or irrigation district in such parish in the event of any default in the imposition or collection thereof (art. XIV, sec. 14, (j)).

(g) *Limitation of rate for parochial purposes.*—

No parish, parish of Orleans excepted, shall levy for parochial purposes, on property located wholly within incorporated cities and towns of the State, having a population in excess of one thousand (1,000) inhabitants, according to the last census, which provide and maintain systems of street paving, any general parochial tax in excess of one-half the levy for general parochial purposes; provided, that this section shall not apply in a parish which had a general unbonded indebtedness on January 1st, 1921, until said debt has been paid or funded into bonds (art. XIV, sec. 8).

(h) *Limitation of rate for all purposes.*—

No parish tax, the parish of Orleans excepted, for all purposes whatsoever, shall exceed in any one year four mills on the dollar of assessed valuation. This limitation shall not apply to nor include any other tax levy elsewhere

provided in this Constitution. The Legislature may authorize parishes and municipal corporations to levy an additional tax, not to exceed one mill, to run for not more than ten years, on all taxable property of said subdivision for the purchase and improvement of property of said subdivision, for the purchase and improvement of grounds, and for premium awards for municipal district, and parish fairs (art. XIV, sec. 11).

(i) *Exemption of certain industries.*—

Any municipality and any parish, respectively, may exempt a new industry or industries to be established therein, or an addition or additions to any industry or industries already existing therein, from the payment of any or all general municipal and any or all general parochial taxes and any or all special taxes levied by such municipality or by such parish or by any political taxing authority or subdivision, in either such municipality or parish; * * * (art. X, sec. 22; amended 1936).

The foregoing constitutional provisions apply to the parishes generally; there are, however, special provisions with respect to certain parishes, notably that of Orleans. (See art. XII, secs. 15-16; art. XII, sec. 11.)

2. PARISH LOCAL GOVERNMENT

Parishes may be provided with optional plans for local government and may be dissolved and merged with others (art. XIV, secs. 3 and 4).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(a) Municipal corporations are authorized to exercise powers of taxation under legislative authority (art. X, sec. 5; see par. C-1-(a)).

(b) *School taxes.* (See note par. B-1-b.)

Municipalities are required to levy an annual tax to be paid to the parish school board. Municipalities are, however, permitted to conduct and maintain public schools of their own and to levy an annual tax for the support thereof (art. XII, sec. 15).

(c) *Taxes for public works and enterprises.*—(1) For certain permanent improvements, municipalities may levy taxes in excess of the general constitutional limitation (art. X, sec. 10), and for streets, sewers, etc. (art. X, sec. 13).

(2) Municipalities may be authorized to levy taxes in aid of railways and other public enterprises (art. XIV, sec. 19), and for payment of bonded debt (art. XIV, sec. 14).

(d) *Rate limitations.*—No municipal tax except in the city of New Orleans, for all purposes, shall exceed in any one year, 7 mills on the dollar of assessed valuation:

Except as otherwise provided in this Constitution, no municipal tax, for all purposes whatsoever, shall exceed in any one year, seven mills on the dollar of assessed valuation. This section shall not apply to the city of New Orleans (art. XIV, sec. 12).

(e) *Exemptions.*—(1) Municipalities may exempt from taxation certain new industries or additions to industries already established (art. X, sec. 22; par. C-1-i).

(2) The board of commissions of the port of New Orleans may also exempt certain lands and improvements from taxation (art. VI, sec. 16.2; see par. D-e).

(f) *Provisions concerning certain cities.*—(1) Various special provisions are made with respect to taxation and other powers of certain cities. They include the municipalities of Monroe, Lake Charles, Shreveport, and New Orleans. These provisions are generally to be found in article XIV of the constitution.

(2) New Orleans is authorized to assess property taxes for a number of specific purposes and for use of various boards or commissions. Among these are the sewerage and water board, the board of liquidations and for establishment of a platoon system of police and fire departments.

(3) This latter authority, by an amendment (1936) is extended to any city having a population of 75,000 or over.

(4) Another amendment adopted in 1936 (art. XIV, sec. 22A), authorized a commission for the preservation of buildings of the Vieux Carre section of the city and to exempt same from taxation. The city was authorized to create further indebtedness for various public improvements and betterments and to levy taxes on certain commodities when sold, used, consumed, or purchased for consumption in the city (art. XIV, sec. 24.1; amended, 1936).

(5) Cities and towns may withdraw from the taxing jurisdiction of the parishes (art XIV, sec. 7).

E. OTHER TAXING AUTHORITIES

The constitution provides for an unusual number of districts, commissions, and boards, who have powers of taxation to incur indebtedness and issue bonds. The general authority to confer the taxing power upon them is found in article X, section 8. (See par. C 1-a.)

Some are given specific constitutional authority to impose special taxes for certain purposes. Of seeming importance, are the following:

1. ROAD DISTRICTS

Road districts may be authorized to impose a graduated contribution or benefit tax upon all property situated within said districts (art. VI, sec. 20).

2. LEVEE DISTRICTS

(a) Levee districts are authorized to levy an annual tax not to exceed 5 mills on the dollar on all the taxable property therein, subject to overflow which rate may be increased by consent of the voters in cases of necessity (art. XVI, sec. 2).

(b) Levee districts may also levy taxes for the purposes of payment for property used or destroyed (art. XVI, sec. 6).

(c) The board of levee commissioners of the Orleans District are given further detailed powers and duties (art. XVI, sec. 7).

(d) Closely related to the subject of levees is a reparation commission. Its duties are to settle claims for damages caused by waters from an artificial outlet in the levee system made for the protection of the city of New Orleans from flood waters. Provision is made for payment of proper claims by the Orleans board of levee

commissioners, and the board is authorized to levy a special tax on all the taxable property in the city of New Orleans for this purpose (art. XVI, A).

3. NAVIGATION AND RIVER IMPROVEMENT DISTRICTS

Navigation and river improvement districts may be authorized to impose an annual tax not to exceed 1 mill on the dollar:

The Legislature of Louisiana is empowered to create and organize navigation and river improvement districts as political subdivisions of the State for the purpose of obtaining, improving, and maintaining navigation on the rivers and streams of this state by financial co-operation with the Government of the United States or otherwise, and for such purposes the governing authority of each district so created and organized may levy annually a tax not to exceed one mill on the dollar, to run for not more than ten years, on all taxable property situated within the district, when authorized so to do by a vote of a majority in number and amount of the property taxpayers in such district qualified to vote under the Constitution and laws of this state, who vote at an election held for that purpose after notice published or posted for thirty (30) days in such manner as the Legislature may prescribe (art. XIV, sec. 30.3).

4. PORT, HARBOR, AND TERMINAL DISTRICTS

The creation of port, harbor, and terminal districts, and granting to them power to levy and collect taxes is authorized. (a):

The Legislature of the State of Louisiana is empowered to create port, harbor, and terminal districts as political subdivisions of the State possessing full corporate powers; to fix their territorial limits; to provide for their organization and government * * * (art. XIV, sec. 31).

(b) *Taxes and exemption authorized by the Board of Commissioners of the port of New Orleans.*—The board may organize industrial districts in connection with their operations and to acquire lands, etc.; to exempt lands and improvements therein from taxation, and to levy and collect benefit assessments against lands benefited (art. VI, sec. 16.2, amended). (See art. IV, sec. 16X16.1–16.3, 16.4 for power and authority of this Board.)

5. GRAVITY DRAINAGE DISTRICTS

Gravity drainage districts may be created and authorized to pay taxes:

Nothing herein contained shall be construed as prohibiting the Legislature from authorizing gravity drainage and gravity subdrainage districts to impose and collect an acreage tax, or forced contribution, not exceeding fifty cents (50¢) per acre per year for a period not exceeding forty (40) years, and, when authorized by a vote of a majority in number of acres owned by land owners qualified to vote * * *.

An amendment 1936, provides at length how taxes shall be assessed and collected (art. XIV, sec. 14).

6. VARIOUS OTHER DISTRICTS AND SUBDIVISIONS

Various other subdivisions of the State are provided for and authorized to incur debts and issue bonds, and the governing authorities of such subdivisions are authorized to levy taxes, in addition to all other taxes, to retire such bonds.

Those authorized are parish and municipal school, road, sewerage, reclamation and drainage districts, irrigation districts and road lighting districts. An acreage tax, or forced contribution is also authorized to be imposed by the legislature.

These various subdivisions are also authorized to levy special ad valorem taxes for refunding bonds, and are given full power and authority to enact all resolutions and ordinances necessary in the premises.

It would unduly extend this paragraph to include the conditions and limitations surrounding the creation and operation of these various districts, boards, etc. (art. XIV, sec. 14, amended from time to time).

MAINE

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1819, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative authority is vested in the legislature and the initiative and referendum reserved, and extended to municipalities (art. IV, pt. 1, secs. 1 and 21, as amended).

(b) The legislature shall have full power to enact all reasonable laws and regulations for the defense and benefit of the State:

The legislature * * * with the exception hereinafter stated, shall have full power to make and establish laws and regulations for the defense and benefit of the people of this state, not repugnant to this constitution nor to that of the United States (art. IV, pt. 3, sec. 1, as amended).

(c) The legislature shall provide as far as practicable by general laws for matters usually pertaining to special or private legislation:

The Legislature shall, from time to time, provide, as far as practicable, by general laws, for all matters usually appertaining to special or private legislation (art. IV, pt. 3, sec. 13).

(d) In cases of emergency, certain acts may be made immediately effective for limited periods:

* * * An emergency bill shall include only such measures as are immediately necessary for the preservation of the public peace, health or safety and shall not include (1) an infringement of the right of home rule for municipalities; (2) a franchise or a license to a corporation or an individual to extend longer than one year; or (3) provision for the sale or purchase or renting for more than five years of real estate (art. IV, sec. 16).

2. LEGISLATIVE LIMITATIONS

Corporations, except municipal, shall be formed under general laws, but, however formed, shall be subject to the general laws of the State:

Corporations shall be formed under general laws, and shall not be created by special acts of the Legislature, except for municipal purposes, and in cases where the objects of the corporation cannot otherwise be attained; and, however formed, they shall forever be subject to the general laws of the State (art. IV, pt. 3, sec. 14).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

Uniformity and valuation.—(1) All taxes upon real and personal property shall be assessed equally according to the just value thereof, but intangibles may be taxed at such rates as the legislature deems wise and equitable:

All taxes upon real and personal estate, assessed by authority of this state, shall be apportioned and assessed equally, according to the just value thereof; but the legislature shall have power to levy a tax upon intangible personal property at such rate as it deems wise and equitable without regard to the rate applied to other classes of property (art. IX, sec. 8 as amended, 1915).

(2) A general valuation of property shall be taken at least once in 10 years:

While the public expenses shall be assessed on polls and estates, a general valuation shall be taken at least once in ten years (art. IX, sec. 7).

2. INCOME TAX

Maine imposes no income tax.

3. DEATH TAXES

An inheritance tax is imposed as well as on estates subject to tax under the Federal revenue act.

4. FRANCHISE TAXES

Franchise taxes are imposed.

5. LICENSES

License fees are imposed by the State and municipalities.

6. POLL TAX

A poll tax of \$3 is imposed (art. IX, sec. 7).

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

The constitution makes no specific provisions as to taxation by the several counties, but seems to assume such prior power shall be continued under legislative authority. The power of taxation is fixed in the legislature (art. IX, sec. 1). Provision for the election and qualifications of county officers (art. IX, secs. 2 and 10) is made, and the several counties do levy and collect such taxes as are permitted under legislative authority.

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(a) The right of municipalities to self-government is fixed by an amendment to art. IV, section 16. (See par. (A-1-d).)

(b) The power of initiative and referendum is extended to municipalities. (See par. A-1-a.)

(c) Towns are required to support and maintain public schools (art. VIII).

MARYLAND

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1867, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The general assembly shall have power to pass all laws necessary. The power of initiative and referendum is reserved (art. III, sec. 56, and art. XVI).

2. LEGISLATIVE LIMITATIONS

(a) The general assembly shall pass no special law:

* * * For extending the time for the collection of taxes, * * *. And the General Assembly shall pass no special law for any case for which provision has been made by an existing general law * * * (art. III, sec. 33).

(b) Corporations, other than municipal, must be formed under general laws:

Corporations may be formed under general laws, but shall not be created by special act, except for municipal purposes and except in cases where no general laws exist, providing for the creation of corporations of the same general character as the corporation proposed to be created, and any act of incorporation passed in violation of this section shall be void; * * * provided, nothing herein contained shall be construed to extend to banks or the incorporation thereof; * * * (art. III, sec. 48).

3. WIFE'S SEPARATE ESTATE

The property of the wife shall be protected from the debts of her husband (art. 3, sec. 43).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—Uniform rules are required for separate assessments of land and classifications of improvements on land and personal property. Fines, duties, or taxes may be imposed:

That the levying of taxes by the poll is grievous and oppressive and ought to be prohibited; that paupers ought not to be assessed for the support of the government; that the General Assembly shall, by uniform rules, provide for separate assessment of land and classification and sub-classifications of improvements on land and personal property, as it may deem proper; and all taxes thereafter provided to be levied by the State for the support of the general State Government, and by the counties and by the City of Baltimore for their respective purposes, shall be uniform as to land within the taxing district, and uniform within the class or sub-class of improvements on land and personal property which the respective taxing powers may have directed to be subjected to the tax levy; yet fines, duties, or taxes may properly and justly be imposed, or laid with a political view for the good government and benefit of the community (declaration of rights, art. XV, as amended 1915).

(b) *Personal property*.—Personal property of residents of the State shall be taxed in the city or county of which they are bona fide residents. Goods and chattels, permanently located, shall be taxed where so located:

The personal property of residents of this State shall be subject to taxation in the county or city where the resident *bona fide* resides for the greater part of the year for which the tax may or shall be levied, and not elsewhere, except goods and chattels permanently located, which shall be taxed in the city or county where they are so located, but the General Assembly may by law provide for the taxation of mortgages upon property in this State and the debts secured thereby in the county or city where such property is situated (art. III, sec. 51).

2. INCOME TAX

An income tax is imposed. An income-tax amendment to the constitution is now pending.

3. DEATH TAXES

An inheritance and estate tax is imposed.

4. FRANCHISES

Franchise taxes are imposed. (See par. B-1-a.)

5. LICENSES

License taxes, State and municipal, are imposed. (See par. B-1-a.)

6. POLL TAX

By the declaration of rights, article XV, as amended, poll taxes are condemned. (See par. B-1-a-(1).)

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) Taxes for counties and municipalities shall be uniform as to land and improvements thereon. The legislature may authorize other fines, duties, or taxes. (See par. B-1-a.)

(b) By an amendment to the constitution (1915), provision was made for the granting of charters to the city of Baltimore and to counties of the State (under certain conditions), and the legislature was authorized to grant express powers to them, the law making powers of said city and counties to be vested in an elective legislative body with full powers to enact local laws (art. XV-A).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

The same general power is given the legislature as to authorizing taxation by municipalities as is given as to counties. They must have express statutory power, which they cannot exceed. (See par. C-1-a and b.)

MASSACHUSETTS

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1780, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative department is vested in the General Court of Massachusetts:

The department of legislation shall be formed by two branches, a Senate and House of Representatives; * * * and shall be styled, The General Court of Massachusetts (pt. 2, ch. 1, art. 1).

(b) While legislative power continues vested in the general court, the power of initiative and referendum was reserved to the people by an amendment ratified November 5, 1918:

Legislative power shall continue to be vested in the general court; but the people reserve to themselves the popular initiative, which is the power of a specified number of voters to submit constitutional amendments and laws to the people for approval or rejection; and the popular referendum, which is the power of a specified number of voters to submit laws, enacted by the general court, to the people for their ratification or rejection. * * * (art. XLVIII, amendment).

NOTE.—The provisions of the article exclude from its operation certain specified initiative and referendum measures and also direct that "if a law approved by the people is not repealed, the General Court shall raise by taxation or otherwise, and shall appropriate such money as may be necessary to carry such law into effect" (art. XLVIII, amendment adopted Nov. 5, 1918).

(c) Full power is granted the general court to enact such laws and ordinances as they shall judge to be for the good and welfare and the government of the State and the support thereof.

And further, full power and authority are hereby given and granted to the general court, from time to time, to make, ordain, and establish all manner of wholesome and reasonable orders, laws, statutes, and ordinances, directions, and instructions, either with penalties or without; so as the same be not repugnant or contrary to this constitution, as they shall judge to be for the good and welfare of this commonwealth, and for the government and ordering thereof, and of the subjects of the same, and for the necessary support and defence of the government thereof; * * * and to impose and levy proportional and reasonable assessments, rates, and taxes upon all the inhabitants of, and persons resident, and estates lying within, the said commonwealth; and also to impose and levy reasonable duties and excises upon any produce, goods, wares, merchandise, and commodities, whatsoever, brought into, produced, manufactured, or being within the same; * * * (pt. 2, ch. 1, sec. I, art. IV).

2. LEGISLATIVE LIMITATIONS

Particular or exclusive privileges are forbidden:

No man, nor corporation, or association of men have any other title to obtain advantages, or particular and exclusive privileges, distinct from those of the community, than what arises from the consideration of services rendered to the public (pt. 1, art. VI).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Equality and valuation.*—(1) A valuation of estates is required to be made in order that assessments may be made with equality:

* * * And while the public charges of government, or any part thereof, shall be assessed on polls and estates, in the manner that has hitherto been practiced, in order that such assessments may be made with equality, there shall be a valuation of estates within the commonwealth, taken anew once in every ten years at least, and as much oftener as the general court shall order (pt. 2, ch. 1, sec. 1, art. IV).

(2) The legislature is authorized to levy proportional assessments and taxes upon property within the State (pt. 2, ch. 1, sec. 1, art. IV; see par. A-c).

(3) The right of protection and duty of contribution are correlative:

Each individual of the society has a right to be protected by it in the enjoyment of his life, liberty, and property, according to standing laws. He is obliged, consequently, to contribute his share to the expense of this protection; to give his personal service, or an equivalent when necessary * * * (pt. 1, art. X).

(b) *Taxation of wild lands.*—The general court may prescribe such methods of taxation for wild and forest lands as will conserve the forest resources of the State:

Full power and authority are hereby given and granted to the general court to prescribe for wild or forest lands such methods of taxation as will develop and conserve the forest resources of the commonwealth (art. XLI, amended).

(c) *Exemptions.*—The only specific provision as to exemptions is in the Income-Tax Amendment. (See par. B-2).

2. INCOME TAXES

Power is given the general court to levy a tax upon incomes:

Full power and authority are hereby given and granted to the general court to impose and levy a tax on income in the manner hereinafter provided. Such tax may be at different rates upon income derived from different classes of property, but shall be levied at a uniform rate throughout the commonwealth upon incomes derived from the same class of property. The general court may tax income not derived from property at a lower rate than income derived from property, and may grant reasonable exemptions and abatements. Any class of property the income from which is taxed under the provisions of this article may be exempted from the imposition and levying of proportional and reasonable assessments, rates, and taxes as at present authorized by the constitution. This article shall not be construed to limit the power of the general court to impose and levy reasonable duties and excises (art. XLIV; amendment adopted 1915).

3. DEATH TAXES

Inheritance and estate taxes are imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed, and every charter or franchise is subject to revocation:

Every charter, franchise or act of incorporation shall forever remain subject to revocation and amendment (amendment LIX, adopted November 1918; see also amendment XLIV.)

5. LICENSE TAXES

License taxes are imposed (see amendment XLIV).

6. POLL TAXES

Poll taxes are imposed, but no honorably discharged soldier or sailor shall be disqualified from voting because of failure to pay same:

No person having served in the army or navy of the United States in time of war, and having been honorably discharged from such service, if otherwise qualified to vote, shall be disqualified therefor on account of receiving or having received aid from any city or town, or because of the non-payment of a poll tax (amendment XXVIII, as amended by amendment XXXI, adopted 1890).

C. SPECIFIC PROVISIONS (COUNTIES)

Local government in counties and municipalities was recognized in Massachusetts prior to the adoption of its constitution and is acknowledged in the present instrument (sec. III of the Bill of Rights, amendments II, XXI, XXII, XLVI, XLVIII). County commissioners are in general charge of county affairs, and are authorized by the general court to levy county taxes to be apportioned and assessed on the several towns.

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

Power is given to provide for municipal or city governments, and to grant powers the general court deems necessary for the government thereof:

The general court shall have full power and authority to erect and constitute municipal or city governments, in any corporate town or towns in this commonwealth, and to grant to the inhabitants thereof such powers, privileges, and immunities, not repugnant to the constitution, as the general court shall deem necessary or expedient for the regulation and government thereof, * * *

* * * * *

Provided that no such government shall be erected or constituted in any town not containing twelve thousand inhabitants * * * Nothing in this article shall prevent the General Court from establishing in any corporate town or towns in this Commonwealth containing more than six thousand inhabitants a form of town government * * * (art. II, amendment as amended by art. LXX, adopted 1926. See also par. C above).

MICHIGAN

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1909, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative power is vested in the Legislature, initiative and referendum being reserved. * * * (art. V, sec. 1).

(b) The Legislature shall provide for State governmental expenses:

The Legislature shall provide by law for an annual tax sufficient with other resources to pay the estimated expenses of the State government, the interest on any State debt and such deficiency as may occur in the resources (art. X, sec. 2).

2. LEGISLATIVE LIMITATIONS

(a) Local or special acts may not be passed where a general act can be made applicable:

The legislature shall pass no local or special act in any case where a general act can be made applicable, and whether a general act can be made applicable shall be a judicial question. No local or special act, excepting acts repealing local or special acts in effect January one, nineteen hundred nine, and receiving a two-thirds vote of the legislature shall take effect until approved by a majority of the electors voting thereon in the district affected (art. V, sec. 30, as amended, 1916).

(b) The power of taxation shall not be surrendered:

The power of taxation shall never be surrendered or suspended by any grant or contract to which the State or any municipal corporation shall be a party (art. X, sec. 9).

(c) Corporations may be formed only under general laws:

Corporations may be formed under general laws, but shall not be created, nor shall any rights, privileges, or franchises be conferred upon them, by special act of the legislature. All laws heretofore or hereafter passed by the legislature for the formation of or conferring rights, privileges, or franchises upon corporations and all rights, privileges, or franchises conferred by such laws may be amended, altered, repealed, or abrogated (art. XII, sec. 1).

3. WIFE'S SEPARATE ESTATE

The real and personal estate of every woman, acquired before marriage, and all property to which she may afterwards become entitled by gift, grant, inheritance, or devise shall be and remain the estate and property of such woman, and shall not be liable for the debts, obligations, or engagements of her husband, and may be devised or bequeathed by her as if she were unmarried (art. XVI, sec. 8).

4. ALIEN PROPERTY RIGHTS

Aliens, who are or who may hereafter become bona fide residents of this State, shall enjoy the same rights in respect to the possession, enjoyment, and inheritance of property as native born citizens (art. XVI, sec. 9).

5. CONTINUATION OF FORMER LAWS

The common law and statutes in force upon the adoption of the constitution shall so remain:

The common law and the statute laws in force, not repugnant to this constitution, shall remain in force until they expire by their own limitations, or are altered or repealed (schedule, sec. 1).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—(1) A uniform rate of taxation except on property paying specific taxes is required, and a uniform

rule of taxation for property as is assessed by a State board of assessors at a rate the board shall determine is the average rate levied upon other property upon which ad valorem taxes are assessed:

The legislature shall provide by law a uniform rule of taxation, except on property paying specific taxes, and taxes shall be levied on such property as shall be prescribed by law: *Provided*, That the legislature shall provide by law a uniform rule of taxation for such property as shall be assessed by a state board of assessors, and the rate of taxation on such property shall be the rate which the state board of assessors shall ascertain and determine is the average rate levied upon other property upon which ad valorem taxes are assessed for state, county, township, school, and municipal purposes (art. X, sec. 3).

(2) The legislature may impose specific taxes to be uniform upon the classes upon which imposed:

The legislature may by law impose specific taxes, which shall be uniform upon the classes upon which they operate (art. X, sec. 4).

(3) The property of corporations and public utilities shall be assessed at true cash value:

The legislature may provide by law for the assessment at its true cash value by a state board of assessors * * * of the property of corporations and the property, by whomsoever owned, operated, or conducted engaged in the business of transporting passengers and freight * * * or engaged in any other public service business; and for the levy and collection of taxes thereon (art. X, sec. 5).

(4) All assessments hereafter authorized shall be on property at its cash value (art. X, sec. 7).

(5) Equalization of assessments is required to be made by a State board on all taxable property except certain property taxed under specific laws (art. X, sec. 8).

(b) *Rate limitation.*—

The total amount of taxes assessed against property for all purposes in any one year shall not exceed $1\frac{1}{2}$ per cent of the assessed valuation of said property except taxes levied for the payment of interest and principal obligations heretofore incurred which sums shall be separately assessed in all cases: *Provided*, That this limitation may be increased for a period of not to exceed five years at any one time to not more than a total of 5 per cent of the assessed valuation by a two-thirds vote of the electors of any assessing district or when provided for by the charter of a municipal corporation: *provided*, That this limitation shall not apply to taxes levied for the year 1932 (art. X, sec. 21, amended 1932).

(c) *Exemptions.*—(1) Personal property:

The personal property of every resident of this state, to consist of such property only as shall be designated by law, shall be exempted to the amount of not less than five hundred dollars from sale on execution or other final process of any court (art. XIV, sec. 1).

(2) Homesteads (in general): Every homestead not to exceed 40 acres and dwelling thereon, or a lot in a city, town, or village and the dwelling therein, not exceeding \$1,500 in value, shall be exempt (art. XIV, sec. 2).

(3) Homestead of a family: The homestead of a family, after death of the owner, is exempt from the payment of his debts, during the minority of his children (art. XIV, sec. 3).

(4) Homestead of a widow:

If the owner of a homestead die, leaving a widow but no children, such homestead shall be exempt, and the rents and profits thereof shall accrue to her benefit during the time of her widowhood, unless she be the owner of a homestead in her own right (art. XIV, sec. 4).

2. INCOME TAXES

No income tax is imposed.

3. DEATH TAXES

Inheritance taxes are imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed by the State and political subdivisions (art. XII and art. VIII, secs. 19, 25, 28, 29).

5. LICENSE TAXES

License or occupational taxes are imposed.

6. POLL TAXES

Poll taxes are imposed.

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) *Organization for tax purposes.*—(1) Each county shall be a body corporate with such powers as shall be established by law:

Each organized county shall be a body corporate, with such powers and immunities as shall be established by law * * * (art. VIII, sec. 1).

(2) A board of supervisors shall be established in each county. Cities shall have representation thereon:

A board of supervisors, consisting of one from each organized township, shall be established in each county with such powers as shall be prescribed by law. Cities shall have such representation in the boards of supervisors of the counties in which they are situated as may be provided by law (art. VIII, sec. 7).

(b) *Tax rate.*—The boards of supervisors may levy a tax on the assessed valuation of property for public buildings and bridges; in a county where the assessed valuation is less than \$10,000,000, the board may levy a tax or borrow for such purposes:

The board of supervisors of any county may in any one year levy a tax of one-tenth of one mill on the assessed valuation of said county for the construction or repair of public buildings or bridges, or may borrow an equal sum for such purposes; and, in any county where the assessed valuation is less than ten million dollars, the board may levy a tax or borrow for such purposes to the amount of one thousand dollars; but no greater sum shall be raised for such purposes in any county in any one year, unless submitted to the electors of the county and approved by a majority of those voting thereon (art. VIII, sec. 10).

(c) *Highway tax.*—The legislature may by general law provide for a highway system by counties and subdivisions, with duties of the boards of supervisors, county and district commissioners to be prescribed by law; but no tax raised for road purposes by the counties shall exceed in any one year \$5 upon each \$1,000 of assessed valuation for the preceding year (art. VIII, sec. 26, amended 1917).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(a) The legislature is authorized to provide for the incorporation of cities, towns, villages, or townships of metropolitan districts, granting to them certain powers, with a limited rate of taxation for municipal purposes, and restricted power to create indebtedness, but giving such districts powers to pass laws and ordinances relating to its municipal concerns (art. VIII, sec. 31, amendment of 1926).

(b) No city or village shall levy taxes for other than a public purpose. Nor shall any public utility franchise be granted which is not subject to revocation, unless such franchise has first been assented to by the electors:

No city or village shall have power to abridge the right of elective franchise, to loan its credit, nor to assess, levy or collect any tax or assessment for other than a public purpose. Nor shall any city or village acquire any public utility or grant any public utility franchise which is not subject to revocation at the will of the city or village, unless such proposition shall have first received the affirmative vote of three-fifths of the electors of such city or village voting thereon at a regular or special municipal election * * * (art. VIII, sec. 25).

(c) Cities and villages shall be incorporated by general law which shall limit their rate of taxation for municipal purposes:

The legislature shall provide by a general law for the incorporation of cities, and by a general law for the incorporation of villages; such general laws shall limit their rate of taxation for municipal purposes, and restrict their powers of borrowing money and contracting debts (art. VIII, sec. 20).

(d) Cities shall have representation on boards of supervisors (art. VIII, sec. 7; see par. C-1-a-(2)).

(e) Any city of one hundred thousand inhabitants may be organized into a separate county:

* * * When any city has attained a population of one hundred thousand inhabitants, the legislature may organize it into a separate county without reference to geographical extent, if a majority of the electors of such city and of the remainder of the county in which such city may be situated voting on the question shall each determine in favor of organizing said city into a separate county (art. VIII, sec. 2).

(f) As to franchises in municipalities, see paragraph B-4.

E. SPECIFIC PROVISIONS (TOWNSHIPS)

(a) The county boards of supervisors may organize and consolidate townships:

The board of supervisors of each organized county may organize and consolidate townships under such restrictions and limitations as shall be prescribed by law (art. VIII, sec. 15).

(b) Each organized township shall be a body corporate (art. VIII, sec. 16), and their legislature may confer on them powers of local legislation and administration:

The legislature may by general law confer upon organized townships such powers of a local, legislative and administrative character, not inconsistent with the provisions of this constitution, as it may deem proper (art. VIII, sec. 17).

(c) Drainage districts also may be established (art. VIII, 15 (a)) and may issue bonds:

MINNESOTA

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1857, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative power is vested in a senate and house of representatives (art. IV, sec. 1).

2. LEGISLATIVE LIMITATIONS

(a) Local or special laws may not be enacted when a general law can be made applicable in the following instances:

* * * regulating the affairs of, or incorporating * * * any county, city, village, township, ward, or school district * * * changing the law of descent or succession * * *. * * * and whether a general law could have been made applicable in any case is hereby declared a judicial question, and as such shall be judicially determined without regard to any legislative assertion on that subject. * * *; exempting property from taxation, * * * creating corporations, or amending, renewing, extending, or explaining the charters thereof; granting to any corporation, association, or individual any special or exclusive privilege, immunity, or franchise whatever, or authorizing public taxation for a private purpose. Provided, however, That the inhibitions of local or special laws in this section shall not be construed to prevent the passage of general laws on any of the subjects enumerated (art. IV, sec. 33).

* * * The Legislature may repeal any existing special laws, but shall not amend, extend, or modify any of the same (art. IV, sec. 33).

(b) Corporations, except municipal, must be formed under general acts (art. X, sec. 2).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—(1) The taxing power shall not be suspended. Taxes shall be uniform and for public purposes:

The power of taxation shall never be surrendered, suspended, or contracted away. Taxes shall be uniform upon the same class of subjects, and shall be levied and collected for public purposes * * * (art. IX, sec. 1, amended 1934).

(2) The enabling act provides that nonresident proprietors shall not be taxed higher than residents:

* * * and that no tax shall be imposed on lands belonging to the United States, and that in no case shall nonresident proprietors be taxed higher than residents (art. II, sec. 3).

(b) *Reforestation tax.*—(1) For purposes of promoting reforestation, an annual tax upon lands may be fixed for a term of years, and a yield tax upon the timber or other forest products grown thereon:

Laws may be enacted for the purpose of encouraging and promoting forestation and reforestation of lands in this state, whether owned by private persons or the public, including the fixing in advance of a definite and limited annual

tax on such lands for a term of years and a yield tax at or after the end of such term upon the timber and other forest products so grown, but the taxation of mineral deposits shall not be affected by this amendment (art. XVIII, sec. 1).

(2) Fire protection and wild land improvement:

The State and (or) any of its political subdivisions, if and whenever authorized by the Legislature, may contract debts and pledge the public credit for and engage in any work reasonably tending to prevent or abate forest fires, including the compulsory clearing and improvement of wild lands (whether belonging to the public or privately owned) and the assessment against such lands of the value of all benefits so conferred and the payment of damages so sustained in excess of such benefits (art. XVII, sec. 1).

(c) *Highway taxes*.—(1) For an addition to the road and bridge fund, an annual tax on the property of the State not to exceed 1 mill is authorized:

The Legislature is authorized to add to such fund, for the purpose of constructing or improving roads and bridges of this State, by providing, in its discretion, for an annual tax levy upon the property of this State of not to exceed in any one year one mill on all the taxable property within the State. Provided, that no county shall receive in any year more than three (3) per cent, or less than one-half ($\frac{1}{2}$) of one (1) per cent of the total fund thus provided and expended during such year (art. IX, sec. 16).

(2) A tax on all taxable property is authorized to meet any deficit in the sinking fund for retirement of highway bonds (art. XVI, sec. 4).

(3) A special highway tax on motor vehicles is authorized:

The Legislature is hereby authorized to provide, by law, for the taxation of motor vehicles, using the public streets and highways of this State, on a more onerous basis than other personal property; provided, however, that any such tax on motor vehicles shall be in lieu of all other taxes thereon, except wheelage taxes, so-called, which may be imposed by any borough, city or village. * * * Any such law may, in the discretion of the Legislature, provide for the exemption from taxation of any motor vehicle owned by a non-resident of the State, and transiently or temporarily using the streets and highways of the State. The proceeds of such tax shall be paid in to said trunk highway sinking fund (art. XVI, sec. 3, amended 1932).

(4) A tax on materials, etc., for generating power for propelling vehicles may be levied:

* * * it may levy an excise tax upon any substance, material, fluid, force or other means or instrumentality, or the business of dealing in, selling or producing any or all thereof, used or useful, in producing or generating power for propelling motor or other vehicles used on the public highways of this State * * * (art. IX, sec. 5).

(d) *School taxes*.—

The Legislature shall make such provisions, by taxation or otherwise as * * * will secure a thorough and efficient system of public schools in each township in the State (art. VIII, secs. 1 and 3).

(e) *Exemptions*.—Certain public property and that used for educational, charitable, and religious purposes, and household property and farm machinery, for each head of a family may be exempted from taxation:

* * * but public burying grounds, public school houses, public hospitals, academies, colleges, universities, and all seminaries of learning, all churches, church property, and houses of worship, institutions of purely public charity, and public property used exclusively for any public purpose, shall be exempt from taxation, and there may be exempted from taxation personal property not exceeding in value \$200, for each household, individual or head of a family household goods and farm machinery, as the Legislature may determine; * * * (art. IX, sec. 1, amended 1934).

2. INCOME TAXES

In 1932, an amendment to art. IX, sec. 1, of the constitution, proposing a State-wide income tax, was defeated. Notwithstanding this, a statute was enacted in 1933, as amended in 1937, imposing a franchise tax and an income tax, applicable to individuals and all business organizations, except such as were specially exempted in the statute.

3. DEATH TAXES

An inheritance and estate tax is imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed.

5. LICENSE TAXES

License taxes are imposed.

(a) By an amendment adopted in 1924, an occupation tax upon all engaged in mining was imposed, in addition to all other taxes provided by law:

Every person, co-partnership, company, joint-stock company, corporation, or association however or for whatever purpose organized, engaged in the business of mining or producing iron ore or other ores in this State, shall pay to the State of Minnesota an occupation tax on the valuation of all ores mined or produced, which tax shall be in addition to all other taxes provided by law, said tax to be due and payable from such person, co-partnership, company, joint-stock company, corporation, or association however or for whatever purpose organized, on May first of the calendar year next following the mining or producing thereof. The valuation of ore for the purpose of determining the amount of tax to be paid shall be ascertained in the manner and method provided by law. Funds derived from the tax herein provided for shall be apportioned * * * (art. IX, sec. 1A).

(b) No license shall be required for peddling farm products grown by the seller (art. I, sec. 18).

6. POLL TAXES

A poll tax is imposed.

C. SPECIFIC PROVISIONS (COUNTIES AND TOWNSHIPS)

1. PROPERTY TAXES

Powers to tax.—(1) Any county and township shall have such powers of local taxation as may be prescribed by law:

Any county and township organization shall have such powers of local taxation as may be prescribed by law (art. XI, sec. 5).

2. ORGANIZATION

(a) County and township organization is provided for (art. XI, secs. 1 and 3).

(b) Cities may be organized as counties:

The legislature may organize any city into a separate county, when it has attained a population of 20,000 inhabitants, without reference to geographical

extent, when a majority of the electors of the county in which such city may be situated, voting thereon, shall be in favor of a separate organization (art. XI, sec. 2).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(a) Cities and villages may frame charters for their own government under certain conditions:

Any city or village in this State may frame a charter for its own government as a city consistent with and subject to the laws of this State, as follows: * * *

The legislature may provide general laws relating to affairs of cities, the application of which may be limited to cities of over fifty thousand inhabitants, or to cities of fifty and not less than twenty thousand inhabitants, or to cities of twenty and not less than ten thousand inhabitants, or to cities of ten thousand inhabitants or less, which shall apply equally to all such cities of either class, and which shall be paramount while in force to the provisions relating to the same matter included in the local charter herein provided for. But no local charter, provision, or ordinance passed thereunder shall supersede any general laws of the State defining or punishing crimes or misdemeanors (art. IV, sec. 36).

(b) *Special assessments*.—Municipal corporations may be authorized to levy taxes for local improvements benefited thereby without regard to cash valuation:

* * * *Provided*, That the legislature may authorize municipal corporations to levy and collect assessments for local improvements upon property benefited thereby without regard to a cash valuation, and, provided further, that nothing herein contained shall be construed to affect, modify, or repeal any existing law providing for the taxation of the gross earnings of railroads (art. IX, sec. 1, amended 1934).

(c) Wheelage tax on motor vehicles (see par. B-1-c-(3)).

MISSISSIPPI

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1890, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative power is vested in the legislature, the initiative and referendum being reserved (art. 4, sec. 33).

2. LEGISLATIVE LIMITATIONS

(a) Local, private, or special laws are prohibited: Exempting property from levy or sale; changing the law of descent and distribution; providing for the management or support of any private or common school, incorporating the same, or granting such school any privileges (art. 4, sec. 90).

(b) Special or local laws shall not be enacted nor the operation of general laws suspended for the benefit of any individual, corporation, or association (art. 4, sec. 90):

3. WIFE'S SEPARATE ESTATE

The legislature shall never create by law any distinction between the rights of men and women to acquire, own, enjoy, and dispose of property of all kinds, or their power to contract in reference thereto. Married women are hereby fully emancipated from all disability on account of coverture. But this shall not prevent the legislature from regulating contracts between husband and wife; nor shall the legislature be prevented from regulating the sale of homesteads (art. IV, sec. 94).

4. ALIEN AND CORPORATION PROPERTY RIGHTS

The Legislature shall enact laws to limit, restrict, or prevent the acquiring and holding of land in this State by non-resident aliens and may limit or restrict the acquiring or holding of lands by corporations (art. 4, sec. 84).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Equality and valuation.*—Taxation shall be uniform and equal, and property taxed in proportion to value. Special methods may be used for railroads and other corporate property:

Taxation shall be uniform and equal throughout the State. Property shall be taxed in proportion to its value. The legislature may, however, impose a tax per capita upon such domestic animals as from their nature and habits are destructive of other property. Property shall be assessed for taxes under general laws, and by uniform rules, according to its true value. But the legislature may provide for a special mode of valuation and assessment for railroads, and railroad and other corporate property, or for particular species of property belonging to persons, corporations, or associations not situated wholly in one county. But all such property shall be assessed at its true value, and no county shall be denied the right to levy county and special taxes upon such assessment as in other cases of property situated and assessed in the county (art. 4, sec. 112).

(b) *School taxes.*—The legislature is required to establish a uniform system of free public schools by taxation or otherwise (art. 8, sec. 201).

(c) *Pensions for Confederate veterans and widows.*—

The legislature shall provide by law for pensions to confederate soldiers and sailors who enlisted and honorably served in the late civil war and who are now resident in this state. Pensions shall also be allowed to the widows of such soldiers or sailors now dead on conditions to be prescribed by law. Pensions shall be allowed to the wives of such soldiers and sailors now living upon the death of the husbands on conditions to be prescribed by law, but pensions granted to such widows shall cease upon their subsequent marriage (art. 14, sec. 272).

(d) *Corporate property and franchises.*—(1) Creation and assessment:

Corporations shall be formed under general laws only. The legislature shall have power to alter, amend, or repeal any charter of incorporation now existing and revocable, and any that may hereafter be created, whenever, in its opinion, it may be for the public interest to do so: *Provided, however,* That no injustice shall be done to the stockholders. No charter for any private corporation for pecuniary gain shall be granted for a longer period than ninety-nine years. In assessing for taxation the property and franchises of corporations having charters for a longer period than ninety-nine years, the increased value of such property and franchises arising from such longer duration of their charters shall be considered and assessed; but any such corporation shall have the right to surrender the excess over ninety-nine years of its charter (art. 7, sec. 178).

(2) Method of taxation:

The property of all private corporations for pecuniary gain shall be taxed in the same way and to the same extent as the property of individuals, but the legislature may provide for the taxation of banks and banking capital, by taxing the shares according to the value thereof (augmented by the accumulations, surplus, and unpaid dividends), exclusive of real estate, which shall be taxed as other real estate. Exemptions from taxation to which corporations are legally entitled at the adoption of this Constitution shall remain in full force and effect for the time of such exemption as expressed in their respective charters, or by general laws, unless sooner repealed by the legislature. And domestic insurance companies shall not be required to pay a greater tax in the aggregate than is required to be paid by foreign insurance companies doing business in this state, except to the extent of the excess of their ad valorem tax over the privilege tax imposed upon such foreign companies; and the legislature may impose privilege taxes on building and loan associations in lieu of all other taxes except on their real estate (art. 7, sec. 181).

(3) Limitation of tax exemptions: Power to tax corporations may not be surrendered except to provide exemptions for certain manufactures and other new enterprises:

The power to tax corporations and their property shall never be surrendered or abridged by any contract or grant to which the state or any political subdivision thereof may be a party, except that the legislature may grant exemption from taxation in the encouragement of manufactures and other new enterprises of public utility extending for a period of not exceeding five years, the time of such exemptions to commence from date of charter, if to a corporation; and if to an individual enterprise, then from the commencement of work; but when the legislature grants such exemptions for a period of five years or less, it shall be done by general laws, which shall distinctly enumerate the classes of manufacturers and other new enterprises of public utility entitled to such exemptions, and shall prescribe the mode and manner in which the right to such exemptions shall be determined (art. 7, sec. 182).

(4) Railroad rolling-stock:

The rolling-stock belonging to any railroad company or corporation in this state shall be considered personal property and shall be liable to execution and sale as such (art. 7, sec. 185).

(c) *Exemptions.*—(1) No exemptions from taxation may be granted by special act (art. 4, sec. 90).

(2) The legislature may grant exemption from taxation of manufactures and other new enterprises (art. 7, sec. 182; see par. A-1-d (3)).

2. INCOME TAXES

Income taxes are imposed on individuals and corporations.

3. DEATH TAXES

Estate and inheritance taxes are imposed.

4. FRANCHISE TAXES

Franchise Taxes are imposed. (See par. B-1-d.)

5. LICENSE TAXES

License taxes are imposed by the State and municipalities.

6. POLL TAXES

Poll taxes are imposed (art. 8, sec. 206, par. C-1-c, and art. 12, sec. 243).

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) The system in effect prior to the present constitution is continued, and the counties assess and collect taxes for State and local purposes.

(b) Counties may not be denied the right to levy taxes upon corporate property (art. 4, sec. 112; see par. B-1-a).

(c) *School taxes*.—Counties and school districts are required to maintain common schools:

There shall be a county common-school fund, which shall consist of the poll-tax, to be retained in the counties where the same is collected, and a state common-school fund, to be taken from the general fund in the state treasury, which together shall be sufficient to maintain the common schools for the term of four months in each scholastic year. But any county or separate school district may levy an additional tax to maintain its schools for a longer time than the term of four months * * * (art. 8, sec. 296).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

The powers of municipal corporations shall be restricted:

Provision shall be made by general laws to prevent the abuse by cities, towns, and other municipal corporations of their powers of assessment, taxation, borrowing money, and contracting debts (art. IV, sec. 80).

2. ORGANIZATION

Cities and towns must be created under general laws under which local and private interests shall be provided for and protected (art. 4, sec. 88).

3. EXEMPTION OF CERTAIN ENTERPRISES FROM TAXATION

Provision shall be made by general laws whereby cities and towns may be authorized to aid and encourage the establishment of manufactories, gasworks, waterworks, and other enterprises of public utility other than railroads, within the limits of said cities or towns, by exempting all property used for such purposes from municipal taxation for a period not longer than ten years (art. 7, sec. 192).

E. LEVEE DISTRICTS

1. CREATION AND ORGANIZATION

A levee system shall be maintained in the State as provided in this article (art. 11, sec. 227).

Two districts are provided (sec. 228), and a board of levee commissioners (secs. 229-230-231) whose duties and powers are prescribed (secs. 232 and 233).

2. IMPOSITION OF TAXES

(a) The legislature shall impose a uniform tax for levee purposes:

The legislature shall impose for levee purposes, in addition to the levee taxes heretofore levied or authorized by law, a uniform tax of not less than two nor more than five cents an acre per annum upon every acre of land now or here-

after embraced within the limits of either or both of said levee districts. The taxes so derived shall be paid into the treasury of the levee board of the district in which the land charged with the same is situated; and the legislature, by the act imposing said tax, shall authorize said levee boards to fix the annual rate of taxation per acre within the limits aforesaid and thereby require said levee boards, whenever a reduction is made by them in their other taxes, to make a proportionate reduction in the acreage tax hereinbefore mentioned; but said acreage tax shall not be reduced below two cents an acre per annum; and all reductions in such taxation shall be uniform in each of said districts; but the rate of taxation need not be the same in both of them; and such specific taxes shall be assessed on the same assessment roll, and collected under the same penalties, as ad valorem taxes for levee purposes, and shall be paid at the same time with the latter. And no levee board shall ever be permitted to buy lands when sold for taxes; but the state shall have a prior lien for taxes due thereto. The legislature may provide for the discontinuance of the tax on cotton but not in such manner as to affect outstanding bonds based on it, and on the discontinuance of the tax on cotton, shall impose another tax in lieu thereof; but the legislature may repeal the acreage tax required to be levied hereby after the first day of January, A. D. 1895 (art 11, sec. 236).

(b) Full power given to legislature to provide levee taxation:

The legislature shall have full power to provide such system of taxation for said levee districts as it shall, from time to time, deem wise and proper (art. 11, sec. 237).

MISSOURI

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1875, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative power of the State is vested in the general assembly, and the power of initiative and referendum is reserved:

The legislative power, subject to the limitations herein contained, shall be vested in "The General Assembly of the State of Missouri" (art. IV, sec. 1, and art. IV, sec. 57, amended).

(b) The taxing power may be exercised by the general assembly for State purposes, and by counties and municipal corporations under legislative authority:

The taxing power may be exercised by the General Assembly for State purposes, and by counties and other municipal corporations, under authority granted to them by the General Assembly, for county and other corporate purposes (art. X, sec. 1).

2. LEGISLATIVE LIMITATIONS

(a) The general assembly shall not pass any local or special law—

Regulating the affairs of counties, cities, townships, wards, or school districts * * *.

Exempting property from taxation.

Changing the law of descent or succession * * *.

Granting to any corporation, association, or individual any special or exclusive right, privilege, or immunity, or to any corporation, association, or individual the right to lay down a railroad track * * *.

Nor indirectly enact such special or local law by the partial repeal of a general law * * * (art. IV, sec. 53).

(b) The general assembly shall not impose taxes for county and other local purposes (art. X, sec. 10; see par. C-1-a).

(c) Power to tax corporations is not to be surrendered:

The power to tax corporations and corporate property shall not be surrendered or suspended by act of the General Assembly (art. X, sec. 2).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—(1) Taxes must be uniform upon the same class of subjects, and they must be levied and collected under general laws:

Taxes may be levied and collected for public purposes only. They shall be uniform upon the same class of subjects within the territorial limits of the authority levying the tax, and all taxes shall be levied and collected by general laws (art. X, sec. 3).

(2) Property shall be taxed in proportion to its value, motor vehicles being subject to license taxes:

All property subject to taxation shall be taxed in proportion to its value: *Provided*, That all motor vehicles subject to taxation in this State shall be subject to license taxes, the rate for State and municipal purposes to be fixed by the General Assembly * * * (art. X, sec. 4, amended 1922).

(3) A State board of equalization is created:

* * * The duty of said board shall be to adjust and equalize the valuation of real and personal property among the several counties in the State * * * (art. X, sec. 18).

(b) *Taxation of corporations and corporate property.*—(1) All property of business corporations must be taxed (art. X, sec. 2; see sec. A-2-c).

(2) All business corporations are required to pay taxes on capital stock, and increase thereof, in addition to franchise taxes (art. X, sec. 21).

(3) Railway corporations are subject to taxation on real and personal property, on gross earnings, net earnings, capital stock, and franchises (art. X, sec. 5).

(c) *School taxes.*—(1) Requirement of a free public school system: The legislature shall establish and maintain free public schools for gratuitous instruction (art. XI, sec. 1) and in case the fund provided be insufficient to sustain a free school in every school district for at least 4 months in every year, the legislature may provide for the deficiency (art. XI, sec. 7).

(2) Tax to pay certificates of indebtedness to the public school fund and the seminary fund: Certificates of the State indebtedness to the above funds are confirmed as State obligations and renewals of the indebtedness are authorized:

Whenever the State bonded indebtedness is extinguished * * * there shall be levied and collected * * * an annual tax not to exceed three cents on the hundred dollar valuation, to pay the accruing interest on all the certificates of indebtedness, the proceeds of which tax shall be paid * * * out for the specific purposes herein mentioned (art. X, sec. 26).

(d) *Taxes for retirement of bonds issued for purposes of relief.*—Article IV, sections 44 and 47, restrict the power of the State and subdivisions in contracting debts and issuing bonds, but amendments to these sections adopted in 1920-36 have authorized special taxes for

the retirement of bonds issued for assistance to soldiers and sailors, pensions for the deserving blind and to aged persons, and also for the relief of firemen and their families. Amendments are pending reducing the pension age to 65 years and for a tax to provide county hospitals.

(c) *Motor vehicle and fuel taxes.*—The State highway amendment provides—

For a period of ten years after the adoption hereof, the General Assembly shall have no power to levy and collect state registration fees, license taxes, or other taxes on motor vehicles (except the property tax on motor vehicles and state license fees or taxes on motor vehicle common carriers), or state taxes on the sale or use of motor vehicle fuels in excess of the rates fixed by law at the time this amendment is adopted, except that in the event the proceeds from such registration fees, license taxes, or other taxes on motor vehicles (except the property tax on motor vehicles and state license fees or taxes on motor vehicle common carriers) and state taxes on the sale or use of motor vehicle fuels shall not be sufficient to produce funds requisite to pay the costs and expenses herein authorized and for the payments to sinking fund, for interest and for the proper maintenance of state highways as herein provided, then the General Assembly may increase the rates of such registration fees or license taxes on motor vehicles or taxes on the sale or use of motor vehicle fuels to an amount sufficient to provide for such payments and the property maintenance of state highways in order to avoid the levy of a direct tax on property in the State to meet such deficiencies. * * * (art. IV, sec. 44).

(f) *Rate limitation.*—

The State tax on property, exclusive of the tax necessary to pay the bonded debt of the State, shall not exceed twenty cents on the hundred dollars valuation; and whenever the taxable property of the State shall amount to nine hundred million dollars, the rate shall not exceed fifteen cents (art. X, sec. 8).

(g) *Exemptions.*—The following constitutional exemptions are provided:

(1) All property of the State and corporate subdivisions, cemeteries, buildings, and lots of certain size used exclusively for religious worship, for schools, or for purely charitable purposes, and such real or personal property used exclusively for agricultural or horticultural purposes may be exempted from taxation (art. X, sec. 6).

(2) Other exemptions are void:

All laws exempting property from taxation, other than the property above enumerated, shall be void (art. X, sec. 7).

2. INCOME TAXES

An income tax is imposed on individuals and corporations.

3. DEATH TAXES

Inheritance and estate taxes are imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed.

No corporation, except that organized for benevolent, religious, scientific, or educational purposes may be formed unless the incorporators pay fees fixed according to the amount of capital stock, and a further tax on franchises is authorized:

No corporation, company, or association, other than those formed for benevolent, religious, scientific, or educational purposes, shall be created or organized under the laws of this State, unless the persons named as corpora-

tors shall, at or before the filing of the articles of association or incorporation, pay into the State treasury fifty dollars for the first fifty thousand dollars or less of capital stock, and a further sum of five dollars for every additional ten thousand dollars of its capital stock. And no such corporation, company, or association shall increase its capital stock without first paying into the treasury five dollars for every ten thousand dollars of increase: *Provided*, That nothing contained in this section shall be construed to prohibit the General Assembly from levying a further tax on the franchises of such corporation (art. X, sec. 21).

5. LICENSE TAXES

License taxes are generally imposed.

6. POLL TAXES

A poll tax, not to exceed \$1, is imposed and allocated to road purposes.

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) *Power to tax.*—The Legislature may vest in the corporate authorities thereof power to assess and collect such taxes:

The General Assembly shall not impose taxes upon counties, cities, towns, or other municipal corporations or upon the inhabitants or property thereof, for county, city, town, or other municipal purposes, but may, by general laws, vest in the corporate authorities thereof the power to assess and collect taxes for such purposes (art. X, sec. 10; see also art. X, sec. 1).

(b) *Taxes for local purposes.*—Taxes for county and municipal purposes may be levied on all subjects: For county purposes, the rate shall not exceed 35 cents to 50 cents on the hundred dollars valuation:

Taxes for county, city, town, and school purposes may be levied on all subjects and objects of taxation; but the valuation of property therefor shall not exceed the valuation of the same property in such town, city, or school district for State and county purposes. For county purposes the annual rate on property, in counties having six million dollars or less, shall not, in the aggregate, exceed fifty cents on the hundred dollars valuation; in counties having six million dollars and under ten million dollars said rate shall not exceed forty cents on the hundred dollars valuation; in counties having ten million dollars and under thirty million dollars said rate shall not exceed fifty cents on the hundred dollars valuation; and in counties having thirty million dollars or more said rate shall not exceed thirty-five cents on the hundred dollars valuation * * * (art. X, sec. 11).

(c) *Road taxes.*—(1) A special road tax may be authorized by the majority of the qualified voters of any road district not to exceed 50 cents on the one hundred dollars valuation of all property therein.

In addition to the taxes now authorized to be levied for county purposes, under and by virtue of section 11 of article 10 of the Constitution of this State, and in addition to the special levy for road and bridge purposes authorized by section 22 of article X of the Constitution of this State, it shall be the duty of the county court of any county in this State, when authorized so to do by a majority of the qualified voters of any road district * * * to make a levy of not to exceed fifty cents on the one hundred dollars valuation on all property within such district, to be collected in the same manner as state and county taxes are collected and placed to the credit of the road district authorizing such special levy * * * (art. X, sec. 23).

(2) Counties may levy a special tax, not to exceed 25 cents on each \$100 valuation for road and bridge purposes:

In addition to taxes authorized to be levied for county purposes under and by virtue of section 11, article X, of the Constitution of this State, the county court in the several counties of this State not under township organization, and the township board of directors in the several counties under township organization, may, in their discretion, levy and collect, in the same manner as State and county taxes are collected, a special tax not exceeding twenty-five cents on each \$100 valuation, to be used for road and bridge purposes, but for no other purposes whatever; * * * (art. X, sec. 22).

2. TOWNSHIP ORGANIZATION

The general assembly may provide for township organization, and assessment and collection of revenue by county officers may then be dispensed with:

The General Assembly may provide, by general law, for township organization, under which any county may organize whenever a majority of the legal voters of such county, voting upon that proposition, at any general election, shall so determine; and whenever any county shall adopt township organization, so much of this Constitution as provides for the management of county affairs, and the assessment and collection of revenue by county officers, in conflict with such general law for township organization, may be dispensed with, and the business of said county, and the local concerns of the several townships therein, may be transacted in such manner as may be prescribed by law: * * * (art. IX, sec. 8).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(a) *Power to tax.*—Municipalities may be authorized to assess and collect taxes for local purposes, and taxes may be levied upon all subjects and objects (art. X, secs. 1, 10, and 11; see par. C-1-a).

(b) *Rate limitations.*—The rate of property taxation for local purposes and for school purposes are fixed according to population:

* * * For city and town purposes the annual rate on property in cities and towns having thirty thousand inhabitants or more shall not, in the aggregate, exceed one hundred cents on the one hundred dollars valuation; * * * having less than thirty thousand and over ten thousand, 60 cents; * * * having less than ten thousand and more than one thousand, fifty cents; * * * and in towns having one thousand inhabitants, or less, said rate shall not exceed twenty-five cents on the hundred dollars valuation. For school purposes in districts composed of cities which have one hundred thousand inhabitants or more, the annual rate on property shall not exceed sixty cents on the hundred dollars valuation and in other districts forty cents on the hundred dollars valuation: *Provided*, The aforesaid annual rates for school purposes may be increased, in districts formed of cities and towns, to an amount not to exceed one dollar on the hundred dollars valuation, and in other districts to an amount not to exceed sixty-five cents on the hundred dollars valuation, on the condition that a majority of the voters who are taxpayers * * * vote for said increase. For the purpose of erecting public buildings in counties, cities, or school districts, the rate of taxation herein limited may be increased when the rate of such increase and the purpose for which it is intended shall have been submitted to a vote of the people, and two-thirds of the qualified voters of such county, city, or school district, voting at such election, shall vote therefor * * * (art. X, sec. 11).

2. ORGANIZATION

(a) Cities and towns may be organized and classified under general laws, the powers of each class to be defined:

The General Assembly shall provide, by general laws, for the organization and classification of cities and towns. The number of such classes shall not

exceed four; and the power of each class shall be defined by general laws, so that all such municipal corporations of the same class shall possess the same powers and be subject to the same restrictions. The General Assembly shall also make provisions, by general law, whereby any city, town, or village, existing by virtue of any special or local law, may elect to become subject to, and be governed by, the general laws relating to such corporations (art. IX, sec. 7).

(b) City and county governments may be consolidated in counties having a city therein of over 100,000 inhabitants:

In all counties having a city therein containing over one hundred thousand inhabitants, the city and county government thereof may be consolidated in such manner as may be provided by law (art. IX, sec. 15).

(c) *The city and county of St. Louis.*—(1) Special provisions are made as to the city and county of St. Louis (art. IX, secs. 20 to 26, inclusive).

(2) The city of St. Louis is permitted to levy taxes, in addition to the rate prescribed for other cities, a rate not exceeding that which would be allowed for county purposes:

* * * That the City of St. Louis may levy for municipal purposes, in addition to the municipal rate of taxation above provided, a rate not exceeding the rate which would be allowed for county purposes if said city were part of a county (art. X, sec. 11).

3. DEFINITION OF WORD "TOWN"

The word "town" in the constitution shall be construed to mean city or village, as the case may be, according to the classification (schedule, sec. 3).

MONTANA

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1889, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative authority of the State is vested in a legislative assembly, and the power of initiative and referendum is reserved, with certain exceptions (art. V, sec. 1).

2. LEGISLATIVE LIMITATIONS

(a) Local or special laws may not be passed in the following cases:

* * * regulating county or township affairs * * * chartering banks, insurance companies, and loan and trust companies * * * changing the law of descent; granting to any corporation, association, or individual the right to lay down railroad tracks, or any special or exclusive privilege, immunity, or franchise whatever * * * for the assessment or collection of taxes * * * exempting property from taxation * * *. In all other cases where a general law can be made applicable no special law shall be enacted (art. V, sec. 26).

(b) Certain municipal powers may not be delegated:

The legislative assembly shall not delegate to any special commission, private corporation, or association any power to make, supervise, or interfere with any municipal improvement, money, property, or effects * * * or to levy taxes, or to perform any municipal function whatever (art. V, sec. 36).

3. ALIEN PROPERTY RIGHTS

Aliens and denizens shall have the same right as citizens to acquire, purchase, possess, enjoy, convey, transmit, and inherit mines and mining property, and milling, reduction, concentrating, and other works, and real property necessary for or connected with the business of mining and treating ores and minerals; * * * (art. III, sec. 25).

4. WATER RIGHTS

(See par. B-3-d)

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—(1) Uniformity of rates and assessments are required:

The necessary revenue for the support and maintenance of the State shall be provided by the Legislative Assembly, which shall levy a uniform rate of assessment and taxation, and shall prescribe such regulations as shall secure a just valuation for taxation of all property, except that specially provided for in this article. The Legislative Assembly may also impose a license tax, both upon persons and upon corporations doing business in the State (art. XII, sec. 1).

(2) Taxes to be collected by general laws:

Taxes shall be levied and collected by general laws and for public purposes only. They shall be uniform upon the same class of subjects within the territorial limits of the authority levying the tax (art. XII, sec. 11).

(3) By an amendment (1922), a board of equalization was provided for the State and each county, to adjust and equalize the valuation of taxable property (art. XII, sec. 15).

(b) *Taxation of corporate property.*—(1) Generally: Corporations shall be taxed for state, county, and all municipal purposes on all property owned or used by them:

The power to tax corporations or corporate property shall never be relinquished or suspended, and all corporations in this State, or doing business therein, shall be subject to taxation for state, county, school municipal, and other purposes, on real and personal property owned or used by them and not by this constitution exempted from taxation (art. XII, sec. 7).

(2) Railroad property: Franchise and property of railroads operated in more than one county are assessed and apportioned by the State board of equalization (art. XII, sec. 16).

(3) Mining property and machinery:

All mines and mining claims, both placer and rock in place, containing or bearing gold, silver, copper, lead, coal, or other valuable mineral deposits, after purchase thereof from the United States, shall be taxed at the price paid the United States therefor, unless the surface ground, or some part thereof, of such mine or claim, is used for other than mining purposes, and has a separate and independent value for such other purposes, in which case said surface ground, or any part thereof, so used for other than mining purposes, shall be taxed at its value for such other purposes, as provided by law; and all machinery used in mining, and all property and surface improvements upon or appurtenant to mines and mining claims which have a value separate and independent of such mines or mining claims, and the annual net proceeds of all mines and mining claims shall be taxed as provided by law (art. XII, sec. 3).

(c) *Definition of property.*—"Property" is defined as follows:

The word property as used in this article is hereby declared to include moneys, credits, bonds, stocks, franchises, and all matters and things (real, personal and mixed) capable of private ownership, but this shall not be construed so as to authorize the taxation of the stocks of any company or corporation when the property of such company or corporation represented by such stocks is within the State and has been taxed (art. 12, sec. 17).

(d) *Water rights.*—The use of water now or hereafter appropriated and rights of way for ditches, canals, reservoirs, etc., are held to be a public use (art. III, sec. 15).

(e) *Rate limitation.*—(1) By an amendment (1910), the rate of taxation for State purposes was limited on each dollar of valuation, as follows: To 2½ mills, and, when the value of taxable property shall reach \$600,000,000, to 2 mills, unless a higher rate is authorized at a general election.

(2) In addition to the State levy, a special levy may be made annually on livestock, not to exceed 4 mills on the dollar for inspection and protection thereof (art. XII, sec. 9).

(f) *School taxes.*—

It shall be the duty of the legislative assembly to provide by taxation, or otherwise, sufficient means * * * to maintain a public free common school in each organized district in the State for at least three months in each year (art. XI, sec. 6).

(g) *Exemptions.*—

The property of the United States, the State, counties, cities, towns, school districts, municipal corporations, and public libraries shall be exempt from taxation; and such other property as may be used exclusively for agricultural and horticultural societies, for educational purposes, places of actual religious worship, hospitals and places of burial not used or held for private or corporate profit, and institutions of purely public charity may be exempt from taxation (art. XII, sec. 2).

2. INCOME TAXES

An income tax is authorized for the purpose of replacing property taxes:

The Legislative Assembly may levy and collect taxes upon incomes of persons, firms, and corporations for the purpose of replacing property taxes. These income taxes may be graduated and progressive and shall be distributed to the public schools and to the State Government (art. XII, sec. 1 (a); amended 1934).

3. DEATH TAXES

Both an inheritance and an estate tax is imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed:

Dues from private corporations shall be secured by such means as may be prescribed by law (art. XV, sec. 19, and art. XII, sec. 1, par. B-1-a).

5. LICENSE TAXES

The imposition of license taxes on persons and corporations is authorized (art. XII, sec. 1; see par. B-1-a).

6. POLL TAXES

Poll taxes are imposed.

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

The legislature shall not levy taxes upon inhabitants or property in counties or municipalities for local purposes, but may invest the corporate authorities to levy taxes for such purposes (art. XII, sec. 4).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

Powers to tax.—(1) :

Taxes for city, town, and school purpose may be levied on all subjects and objects of taxation, but the assessed valuation of any property shall not exceed the valuation of the same property for State and county purposes (art. XII, sec. 5).

(2) The legislature may invest municipalities with authority to levy taxes for local purposes (art. XII, sec. 4; see par. C-1).

NEBRASKA

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1920, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative authority of the State is vested in a unicameral legislature, subject to the people to propose laws, constitutional amendments, and to enact or reject same, independent of the legislature:

Commencing with the regular session of the Legislature to be held in January, nineteen hundred and thirty-seven, the legislative authority of the state shall be vested in a Legislature consisting of one chamber. The people reserve for themselves, however, the power to propose laws, and amendments to the constitution, and to enact or reject the same at the polls, independent of the Legislature, and also reserve power at their own option to approve or reject at the polls any act, item, section, or part of any act passed by the Legislature. All authority vested by the constitution or laws of the state in the Senate, House of Representatives, or joint session thereof, in so far as applicable, shall be and hereby is vested in said Legislature of one chamber. All provisions in the constitution and laws of the state relating to the Legislature, the Senate, the House of Representatives, joint sessions of the Senate and House of Representatives, Senator, or member of the House of Representatives, shall, in so far as said provisions are applicable, apply to and mean said Legislature of one chamber hereby created and the members thereof. All references to Clerk of House of Representatives or Secretary of Senate shall mean, when applicable, the Clerk of the Legislature of one chamber. All references to Speaker of the House of Representatives or temporary president of the Senate shall mean Speaker of the Legislature. Whenever any provision of the constitution requires submission of any matter to, or action by, the House of Representatives, the Senate, or joint session thereof, or the members of either body or both bodies, it shall after January first, nineteen hundred and thirty-seven, be construed to mean the Legislature herein provided for (art. III, sec. 1; amended 1934).

2. LEGISLATIVE LIMITATIONS

(a) Special or local laws may not be passed incorporating cities, towns, and villages, or changing or amending the charter of any town, city, or village; providing for the bonding of cities, towns, pre-

cincts, school districts, or other municipalities; changing the law of descent: Granting to any corporation, association, or individual any special or exclusive privileges, immunity, or franchise whatever * * * (art. III, sec. 18).

(b) The legislature may not impose taxes upon municipalities for corporate purposes:

Private property shall not be liable to be taken or sold for the payment of the corporate debts of municipal corporations. The legislature shall not impose taxes upon municipal corporations, or the inhabitants or property thereof, for corporate purposes. (Art. VIII, sec. 7).

3. ALIEN PROPERTY RIGHTS

(See Par. B-A-3)

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Valuation and uniformity.*—(1) Taxes shall be levied by valuation, uniformly and proportionately upon tangible property and franchises. Taxes, uniform as to class, may be levied by valuation upon all other property. Taxes, other than property, may be authorized:

The necessary revenue of the state and its governmental subdivisions shall be raised by taxation in such manner as the legislature may direct; but taxes shall be levied by valuation uniformly and proportionately upon all tangible property and franchises, and taxes uniform as to class may be levied by valuation upon all other property. Taxes, other than property taxes, may be authorized by law. * * * (art. VIII, sec. 1; amended 1920).

(2) A tax commissioner is provided for by an amendment of 1920, who, with the Governor, secretary of state, State auditor, and State treasurer, shall equalize assessments of property:

A tax commissioner shall be appointed by the governor with the advice and consent of the senate. He shall have jurisdiction over the administration of the revenue laws of the state, and together with the governor, secretary of state, state auditor, and state treasurer shall have power to review and equalize assessments of property for taxation within the state. He shall have such other powers and perform such other duties as the legislature may provide * * * (art. IV, sec. 28).

(3) There shall be no discrimination as to property rights between citizens of the United States, but as to aliens such rights may be regulated by law:

There shall be no discrimination between citizens of the United States in respect to the acquisition, ownership, possession, enjoyment, or descent of property (art. I, sec. 25; amended).

(b) *Exemptions.*—The constitution provides that the following property shall be exempt from taxation:

The property of the state and its governmental subdivisions shall be exempt from taxation. The legislature by general law may exempt property owned by and used exclusively for agricultural and horticultural societies, and property owned and used exclusively for educational, religious, charitable or cemetery purposes, when such property is not owned or used for financial gain or profit (to either the owner or user). Household goods of the value of two hundred dollars (\$200.00) to each family shall be exempt from taxation. * * * (art. VIII, sec. 2).

2. INCOME TAXES

Income taxes are imposed.

See art. VIII, sec. 1, paragraph B-1-a.

3. DEATH TAXES

An inheritance tax is imposed, as in an estate tax, to absorb the tax levied under the Federal Revenue Act of 1926 (art. VIII, sec. 1; see par. B-1-a).

4. FRANCHISE TAXES

Franchise taxes are imposed (art. VIII, sec. 1; see par. B-1-a).

5. LICENSE TAXES

License taxes are imposed. Amendment of 1934 authorizes licensing and regulation of wagering on horse racing:

The Legislature shall not authorize any games of chance, lottery or gift enterprise; but nothing in this section shall be construed to prohibit the enactment of laws providing for the licensing and regulation of wagering on the results of horse races by the parimutuel or certificate method, when conducted by licensees within the race track enclosure at licensed horse race meetings (art. III, sec. 24).

6. POLL TAXES

Poll taxes are imposed (art. VIII, sec. 1; see B-1-a).

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) *Revenue for county government.*—The revenue necessary for governmental subdivisions of the State shall be raised as the legislature may direct (art VIII, sec. 1; see par. B-1-a).

(b) *Limitation of assessments.*—Counties may not assess taxes which in the aggregate shall exceed 50 cents per hundred dollars actual valuation, unless authorized by a vote of the people of such county:

County authorities shall never assess taxes the aggregate of which shall exceed fifty cents per one hundred dollars actual valuation as determined by the assessment rolls, except for the payment of indebtedness existing at the adoption hereof, unless authorized by a vote of the people of the county (art. VIII, sec. 5).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(a) *Revenue for municipal government.*—The legislature shall direct as to the manner of raising municipal revenue (art. VIII, sec. 1; see par. B-1-a).

(b) *Special assessments.*—Cities, towns, and villages may be vested with power to make local improvements by special assessment

or by special taxation of property benefited. For other corporate purposes, municipalities may be vested to levy taxes:

The legislature may vest the corporate authorities of cities, towns, and villages with power to make local improvements by special assessments, or by special taxation of property benefited. For all other corporate purposes, all municipal corporations may be vested with authority to assess and collect taxes, but such taxes shall be uniform in respect to persons and property within the jurisdiction of the body imposing the same (art. VIII, sec. 6).

NEW HAMPSHIRE

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1784, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative power of the State is vested in the general court (pt. 2, arts. 2 and 3).

(b) The general court has full power to enact all necessary laws for the benefit and welfare of the State and the government thereof:

And further, full power and authority are hereby given and granted to the said general court, from time to time, to make, ordain, and establish, all manner of wholesome and reasonable orders, laws, statutes, ordinances, directions, and instructions, either with penalties, or without, so as the same be not repugnant or contrary to this constitution, as they may judge for the benefit and welfare of this state, and for the governing and ordering thereof, and of the subjects of the same, for the necessary support and defense of the government thereof; * * * and to impose and levy proportional and reasonable assessments, rates, and taxes, upon all the inhabitants of, and residents within, the said state; and upon all estates within the same; * * *: *Provided*, That the general court shall not authorize any town to loan or give its money or credit directly or indirectly for the benefit of any corporation having for its object a dividend of profits or in any way aid the same by taking its stock or bonds (pt. 2, art. 5).

(c) The legislature shall meet for redress of public grievances and for making laws for the public good (Bill of Rights, art. 31).

2. LEGISLATIVE LIMITATIONS

The only specific limitation is that no religious tax may be imposed (pt. 2, art. 83).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—(1) Proportional and reasonable taxes for governmental expenses may be raised by taxation on polls, estates, and other classes of property:

The public charges of government, or any part thereof, may be raised by taxation upon polls, estates, and other classes of property, including franchises and property when passing by will or inheritance; and there shall be a valuation of the estates within the state taken anew once in every five years, at least, and as much oftener as the general court shall order (pt. 2, art. 6).

NOTE.—The present code of the state provides for a tax commission, a part of whose duty it is to equalize the valuation of the property in the several towns and cities to bring same to true market value.

(2) The bill of rights announces that every member of the community is bound to contribute his share in the expense of community protection:

Every member of the community has a right to be protected by it, in the enjoyment of his life, liberty, and property; he is therefore bound to contribute his share in the expense of such protection, and to yield his personal service when necessary, or an equivalent. But no part of a man's property shall be taken from him, or applied to public uses, without his own consent, or that of the representative body of the people * * * (Bill of Rights, art. 12).

2. INCOME TAXES

An income tax is imposed.

3. INHERITANCE TAXES

Inheritance taxes are authorized, and both inheritance and estate taxes are imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed.

5. LICENSE TAXES

License taxes are imposed.

6. POLL TAXES

Poll taxes are imposed.

NOTE.—Part Second, Art. 6 (see par. B-1-a-(1)), seems authority for each of the above forms of taxes.

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

No taxes in counties or other political subdivisions may be levied except by authority of the legislature:

No subsidy, charge, tax, impost, or duty, shall be established, fixed, laid, or levied, under any pretext whatsoever, without the consent of the people, or their representatives in the legislature, or authority derived from that body (Bill of Rights, art. 28).

2. LOCAL GOVERNMENT

The constitution recognizes the rights of local self-government in the various political subdivisions of the State, in that it provides for the election of certain officers "by the inhabitants of the several towns in the several counties in the State according to the method now practiced" (art. 70); and article 30, referring to the "inhabitants of plantations and places unincorporated * * * who are or shall be required to assess taxes upon themselves toward the support of government, or shall be taxed therefor," and article 5 names certain authority the general court may not give to any town. Therefore, the general court's authority to enact laws delegating powers of local taxation to the political subdivisions of the State is clear, and they have no powers of taxation except such as is delegated to them.

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

The remarks as to powers of taxation by counties (par. C) apply also to cities and towns and other political subdivisions of the State.

NEW JERSEY

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1844, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative power of the State is vested in a senate and general assembly (art. IV, sec. I) referred to in the constitution as the legislature.

2. LEGISLATIVE LIMITATIONS

(a) The legislature shall pass no private, local, or special laws in the following cases: Regulating the internal affairs of towns and counties, appointing local offices or commissions to regulate municipal affairs; Changing the law of descent; and Granting to any corporation, association or individual any exclusive privilege, immunity, or franchise whatever:

The Legislature shall pass general laws providing for the cases enumerated in this paragraph, and for all other cases which, in its judgment, may be provided for by general laws. The Legislature shall pass no special act conferring corporate powers, but they shall pass general laws under which corporations may be organized and corporate powers of every nature obtained, subject, nevertheless, to repeal or alteration at the will of the Legislature (art. IV, sec. VII, par. 11).

(b) No private, local, or special law may be enacted unless public notice thereof shall have been given:

No private, special, or local bill shall be passed unless public notice of the intention to apply therefor, and of the general object thereof, shall have been previously given the Legislature, at the next session after the adoption thereof; * * * (art. IV, sec. VII, par. 9).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—Property shall be assessed by uniform rules, according to its true value:

Property shall be assessed for taxes under general laws and by uniform rules, according to its true value (art. IV, sec. VII, par. 12).

2. INCOME TAXES

No income tax is imposed.

3. DEATH TAXES

Both an inheritance and an estate tax is imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed.

5. LICENSE TAXES

License taxes are imposed.

6. POLL TAX

A poll tax, assessed in the district of residence, is imposed.

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) Since the establishment of the State, county, and municipal local government has been recognized through their respective "chosen freeholders," limitation on their powers in certain respects is provided in article I, sections XIX and XX, of the constitution.

(b) The legislature may not pass local or special laws regulating the internal affairs of towns and counties, but shall pass general laws providing therefor (art. IV, sec. VII, par. 11; see par. A-2-a).

(c) The common law and statutes in effect upon the adoption of the Constitution were continued by article X, section 1.

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

The same remarks as to imposition of taxes by municipalities apply as are made with reference to counties. (See par. C-1.)

NEVADA

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1864, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative authority of the State is vested in the legislature (art. IV, sec. 1).

(b) By an amendment (art. XIX, 1904), the power of initiative and referendum was reserved.

2. LEGISLATIVE LIMITATIONS

(a) The legislature may not pass local or special laws as follows:

* * * regulating county and township business; * * * for the assessment and collection of taxes for state, county, and township purposes * * * (art. IV, sec. 20, amended 1926).

(b) All laws shall be general and of uniform operation:

In all cases enumerated in the preceding section, and in all other cases where a general law can be made applicable, all laws shall be general and of uniform operation throughout the State (art. IV, sec. 21).

3. WIFE'S SEPARATE ESTATE

All property, both real and personal, of the wife, owned or claimed by her before marriage, and that acquired afterward by gift, devise, or descent, shall be her separate property; and laws shall be passed more clearly defining the rights of the wife in relation, as well to her separate property as to that held in common with her husband * * * (art. IV, sec. 31).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—A uniform and equal rate of assessment and taxation, and a just valuation of all property are required, except as to mines and mining claims:

The legislature shall provide by law for a uniform and equal rate of assessment and taxation, and shall prescribe such regulations as shall secure a just valuation for taxation of all property, real, personal, and possessory, except mines and mining claims, when not patented, the proceeds alone of which shall be assessed and taxed, and when patented, each patented mine shall be assessed at not less than five hundred dollars (\$500), except when one hundred dollars (\$100) in labor has been actually performed on such patented mine during the year, in addition to the tax upon the net proceeds, and also, excepting such property as may be exempted by law for municipal, educational, literary, scientific, or other charitable purposes (art. X, sec. 1).

(b) *Corporate property.*—All property of corporations, except those exempted in this section, shall be subject to taxation, the same as that of individuals:

All real property and possessory rights to the same, as well as personal property in this state, belonging to corporations now existing or hereafter created, shall be subject to taxation the same as property of individuals: *Provided*, that the property of corporations formed for municipal, charitable, religious, or educational purposes may be exempted by law (art. VIII, sec. 2).

(c) *School tax.*—A special tax is imposed for the support of the university and common schools:

The legislature shall provide a special tax, which shall not exceed two mills on the dollar of all taxable property in the State, in addition to the other means provided for the support and maintenance of said university and common schools (art. XI, sec. 6).

(d) *Rate limitation.*—

The total tax levy for all public purpose, including levies for bonds, within the State, or any subdivision thereof, shall not exceed five cents on one dollar of assessed valuation (art. X, sec. 2, amended 1936).

(e) *Exemptions.*—Municipal, charitable, religious, educational, literary and scientific corporations may be exempted from taxation (art. X, sec. 1; art. VIII, sec. 2; see par. B 1-a and B 1-b).

2. INCOME TAXES

No income tax is imposed.

3. DEATH TAXES

No death taxes are imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed:

Dues from corporations shall be secured by such means as may be prescribed by law; (provided, that corporators in corporations formed under the laws of this state shall not be individually liable for the debts or liabilities of such corporation) (art. VIII, sec. 3).

5. LICENSE TAXES

License or privilege taxes are imposed (art. VIII, sec. 3).

6. POLL TAX

(a) A poll tax not less than \$2 nor more than \$4 is required (art. II, sec. 7, as amended, 1907).

(b) Payment of a poll tax shall not be required as a condition to the right of voting by persons in the military or naval service of the United States (art. II, sec. 3).

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

The schedule (art. XVII) recognizes the counties and municipalities existing at the adoption of the constitution, continues the laws then in effect, which provided for local taxation.

2. ORGANIZATION

(a) The legislature shall provide for a uniform system of county and township government:

The legislature shall establish a system of county and township government, which shall be uniform throughout the state (art. IV, sec. 25).

(b) A board of county commissioners is provided for to perform duties under legislative authority:

The legislature shall provide by law for the election of a board of county commissioners in each county, and such county commissioners shall, jointly and individually, perform such duties as may be prescribed by law (art. IV, sec. 26).

C. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(See Par. C-1-A)

2. ORGANIZATION

(a) The legislature may provide for organization of municipalities restricting their powers of taxation and to create indebtedness (art. VIII, sec. 8).

(b) By an amendment to article VIII, section 8 (1924), general laws may be enacted authorizing cities and towns to adopt or amend a charter for their own government.

NEW MEXICO

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1911, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative power is vested in the Legislature, the power of initiative and referendum being reserved to the people (art. IV, sec. 1).

(b) The legislature is given all powers necessary to the legislature of a free state:

In addition to the powers herein enumerated, the legislature shall have all powers necessary to the legislature of a free state (art. IV, sec. 2).

2. LEGISLATIVE LIMITATIONS

(a) The legislature shall not pass local or special laws in any of the following cases:

Regulating county, precinct, or district affairs; * * * the assessment or collection of taxes * * * incorporating cities, town, or villages * * * chartering or licensing ferries, toll bridges, toll roads, banks, insurance companies, or loans or trust companies; * * * changing the laws of descent; granting to any corporation, association, or individual the right to lay down railroad tracks or any special or exclusive privilege, immunity or franchise, or amending existing charters for such purposes; * * * exempting property from taxation, * * * In every other case where a general law can be made applicable, no special laws shall be enacted (art. IV, sec. 24).

(b) The legislature shall not grant any special right, franchise, privilege, immunity, or exemption to any person or corporation:

The legislature shall not grant to any corporation or person, any rights, franchises, privileges, immunities, or exemptions, which shall not, upon the same terms and under like conditions, inure equally to all persons or corporations; no exclusive right, franchise, privilege, or immunity shall be granted by the legislature or any municipality in this state (art. IV, sec. 26).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Equality and valuation.*—(1) Taxes upon tangible property shall be in proportion to its value, and equal and uniform upon subjects of the same class:

Taxes levied upon tangible property shall be in proportion to the value thereof, and taxes shall be equal and uniform upon subjects of taxation of the same class (art. VIII, sec. 1).

(2) Lands of same character or quality, similarly situated, shall be assessed at same value per acre:

Lands held in large tracts shall not be assessed for taxation at any lower value per acre than lands of the same character or quality and similarly situated, held in smaller tracts. The plowing of land shall not be considered as adding value thereto for the purpose of taxation (art. VIII, sec. 6).

(b) *School taxes.*—The legislature shall provide for an annual tax levy upon all the taxable property in the State for school purposes:

* * * The legislature shall provide for the levy and collection of an annual tax upon all the taxable property in the state for the maintenance of the public schools, the proceeds of such tax levy to be added to the current school fund above provided for * * * (art. XII, sec. 4).

(c) *Rate limitation.*—Property taxes for State revenue shall not exceed 4 mills on the dollar valuation, except for support of State institutions and payment of the State debt. The total annual levy for all State purposes exclusive of the State debt shall not exceed 20 mills:

Taxes levied upon real or personal property for state revenue shall not exceed four mills annually on each dollar of the assessed valuation thereof except for the support of the educational, penal, and charitable institutions of the state, payment of the state debt and interest thereon; and the total annual tax levy upon such property for all State purposes exclusive of necessary levies for the state debt shall not exceed ten mills: *Provided, however,* That taxes levied upon real or personal tangible property for all purposes, except special levies on specific classes of property and except necessary levies for public debt, shall not exceed twenty mills annually on each dollar of the assessed valuation thereof, but laws may be passed authorizing additional taxes to be levied outside of such limitation when approved by at least a majority of the electors of the taxing district voting on such proposition (art. VIII, sec. 2, amended).

(d) *Exemptions.*—The following property is exempt from taxation (1) By constitutional authority:

The property of the United States, the state and all the counties, towns, cities, and school districts, and other municipal corporations, public libraries, community ditches and all laterals thereof, all church property, all property used for educational or charitable purposes, all cemeteries not used or held for private or corporate profit, and all bonds of the State of New Mexico, and of the counties, municipalities and districts thereof, shall be exempt from taxation. (art VIII, sec. 3).

(2) By legislative authority:

The legislature may exempt from taxation property of each head of a family to the amount of two hundred dollars, and the property of every honorably discharged soldier, sailor, marine, and army nurse, and the widow of every such soldier, sailor, or marine, who served in the armed forces of the United States at any time during the period in which the United States was regularly and officially engaged in war, in the sum of two thousand dollars * * * (art. VIII, sec. 5).

2. INCOME TAXES

Income taxes are imposed.

3. DEATH TAXES

An inheritance tax is imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed. A permanent State corporation commission is provided for, through which all charters for corporations shall issue: by whom fees required by law shall be collected, and to have a general supervision and regulation of corporations (art. XI, secs. 1 to 13).

5. LICENSE TAXES

License taxes are imposed by the State and by municipalities.

6. POLL TAX

An annual poll tax of \$2 is imposed.

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

The schedule, article XXII, continues the laws of the territory prior to the adoption of the Constitution to remain in effect. These provided for local government of the political subdivisions of the State. The preexisting counties are recognized and continued and are required to be classified (arts. IV, IX, and X). Their right to contract debts and levy taxes under Legislative authority is also recognized (art. IX, secs. 10 and 12).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

The paragraph next above, (C), applies also to cities, towns, and villages.

NEW YORK

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1894, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative power is vested in the senate and assembly (art. III, sec. 1).

2. LEGISLATIVE LIMITATIONS

The legislature shall not pass a private or local bill in the following cases: Incorporating villages; granting any private corporation, association, or individual any exclusive privilege, immunity, or franchise whatever; and granting an exemption from taxation on real or personal property.

The legislature shall pass general laws providing for the cases enumerated in this section and for all other cases which, in its judgment, may be provided for by general laws (art. III, sec. 18).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Equality and valuation*.—There is no general constitutional provision specifically requiring equality of taxation. In the section providing for the upkeep of canals, it is required that taxes for this purpose be "equitable" (art. VII, sec. 9). By an amendment adopted in 1925, among other civic departments established, was one of taxation and finance, its powers and functions to be established by law (art. V, secs. 2 and 3).

NOTE.—This department and the courts appear to hold that property assessments should be equal and proportionate and not discriminatory; that assessments ought to be based upon the full true or fair market value; and that in the absence of constitutional restrictions the Legislature has the power to make

any change it deems advisable in the method of collecting State or county taxes.

(b) *Enactment of taxing laws.*—In order that laws imposing taxes may be fully considered, it is provided:

(1) Every law which imposes, continues, or revives a tax shall distinctly state the tax and the object to which it is to be applied, and it shall not be sufficient to refer to any other law to fix such tax or object (art. III, sec. 24).

(2) On any such act, the vote on final passage in either house shall be by yeas and nays (art. III, sec. 25).

(c) *School taxes.*—

The Legislature shall provide for the maintenance and support of a system of free common schools * * * (art. IX, sec. 1).

(d) *Forest reserves.*—A State forest reserve is created, with a provision for the construction of reservoirs therein for canals and water supply, the expense to be apportioned on public and private property and municipalities benefited (art. VII, sec. 7).

(e) *State canals.*—The legislature is required to provide for the superintendence of the State canals by annual and equitable taxes (art. VII, sec. 9).

(f) *Exemptions.*—There is no constitutional provision which specifically provides for any property tax exemption. The legislature may not exempt real or personal property from taxation by a private or local bill (art. III, sec. 18).

2. INCOME TAXES

Income taxes are imposed.

3. DEATH TAXES

An estate tax is imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed.

Corporations, except for municipal purposes, are to be formed under general laws (art. VIII, sec. 1), and dues from corporations are to be secured:

Dues from corporations shall be secured by such individual liability of the corporators and other means as may be prescribed by law (art. VIII, sec. 2).

5. LICENSE TAXES

License taxes are imposed. Towns and cities are given powers in this regard.

6. POLL TAXES

Poll taxes are imposed.

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

Local government provided.—County organization and government are provided for, and the legislature is required to confer on boards

of supervision, or other governing bodies, of the counties, powers of local legislation:

The Legislature shall, by general laws, confer upon the boards of supervisors, or other governing elective bodies, of the several counties of the State such further powers of local legislation and administration as the Legislature may, from time to time, deem expedient * * * (art. III, sec. 27).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(a) The legislature is required to provide for the organization of cities, towns, and villages, and to restrict their power of taxation.

It shall be the duty of the Legislature to provide for the organization of cities and incorporated villages, and to restrict their power of taxation, assessment, borrowing money, contracting debts, and loaning their credit, so as to prevent abuses in assessments and in contracting debt by such municipal corporations; * * * (art. XII, sec. 1).

(b) Special laws relative to the property or governmental affairs of cities prohibited:

The Legislature shall not pass any law relating to the property, affairs or government of cities, which shall be special or local either in its terms or in its effect, but shall act in relation to the property, affairs, or government of any city only by general laws which shall in terms and in effect apply alike to all cities except on message from the governor declaring that an emergency exists and the concurrent action of two-thirds of the members of each house of the legislature (art. XII, sec. 2).

(c) The legislative power is not restricted to enact laws relating to matters other than the property, affairs or government of cities (art. XII, sec. 4).

2. RIGHT OF LOCAL GOVERNMENT SECURED

(a) By an amendment to the constitution (1923), cities are specifically given the right to enact local laws pertaining to their internal affairs:

Every city shall have power to adopt and amend local laws not inconsistent with the constitution and laws of the State, relating to the powers, duties, qualifications, number, mode of selection and removal, terms of office and compensation of all officers and employees of the city, the transaction of its business, the incurring of its obligations, the presentation, ascertainment, and discharge of claims against it, the acquisition, care, management and use of its streets and property, the wages or salaries, the hours of work or labor, and the protection, welfare and safety of persons employed by any contractor or subcontractor performing work, labor or services for it, and the government and regulations of the conduct of its inhabitants and the protection of their property, safety and health. The Legislature shall, at its next session after this session shall become part of the constitution, provide by general law for carrying into effect the provisions of this section (art. XII, sec. 3).

(b) In addition to the specific powers granted in the constitution to cities, the legislature may confer further powers of local legislation and administration:

The Legislature may by general laws confer on cities such further powers of local legislation and administration as it may, from time to time, deem expedient (art. XII, sec. 5).

NORTH CAROLINA

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1868, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative authority is vested in the general assembly (art. II, sec. 1).

(b) Special object must be stated:

Every act of the General Assembly levying a tax shall state the special object to which it is to be applied, and it shall be applied to no other purpose (art. V, sec. 7).

2. LEGISLATIVE LIMITATIONS

(a) No private or special legislation shall be passed in the following cases:

* * * extending the time for the assessment or collection of taxes or otherwise relieving any collector of taxes from the due performance of his official duties or his sureties from liability; * * * The General Assembly shall have power to pass general laws regulating matters set out in this section (art. II, sec. 29).

(b) No private law may be passed unless prior notice thereof shall have been given:

The General Assembly shall not pass any private law, unless it shall be made to appear that thirty days' notice of application to pass such a law shall have been given, under such direction and in such manner as shall be provided by law (art. II, sec. 12).

3. WIFE'S SEPARATE ESTATE

The real and personal property of any female of this State acquired before marriage, and all property, real and personal, to which she may, after marriage, become in any manner entitled, shall be and remain the sole and separate estate and property of such female, and shall not be liable for any debts, obligations, or engagements of her husband, and may be devised and bequeathed, and, with the written assent of her husband, conveyed by her as if she were unmarried (art. X, sec. 6).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—Taxes are required to be uniform as to each class of property taxed:

The power of taxation shall be exercised in a just and equitable manner, and shall never be surrendered, suspended or contracted away. Taxes on property shall be uniform as to each class of property taxed. Taxes shall be levied only for public purposes, and every act levying a tax shall state the object to which it is to be applied. The General Assembly may also tax trades, professions, franchises, and incomes: *Provided*, the rate of tax on incomes shall not in any case exceed ten per cent (10%), and there shall be allowed the following exemptions, to be deducted from the amount of annual incomes, to wit: for married man

with a wife living with him, or to a widow or widower having minor child or children, natural or adopted, not less than \$2,000; to all other persons not less than \$1,000, and there may be allowed other deductions (not including living expenses) so that only net incomes are taxed (art. V, sec. 3, as amended 1936).

(b) *School taxes.*—The legislature shall provide by taxation and otherwise for a uniform system of free public schools:

The General Assembly, at its first session under this Constitution, shall provide by taxation and otherwise for a general and uniform system of public schools, wherein tuition shall be free of charge to all the children of the State between the ages of six and twenty-one years * * * (art. IX, sec. 2).

(c) *Exemptions.*—

Property belonging to the State, or to municipal corporations, shall be exempt from taxation. The General Assembly may exempt cemeteries and property held for educational, scientific, literary, charitable, or religious purposes; also wearing apparel, arms for muster, household and kitchen furniture, the mechanical and agricultural implements of mechanics and farmers; libraries and scientific instruments, or any other personal property, to a value not exceeding three hundred dollars. The General Assembly may exempt from taxation not exceeding one thousand dollars (\$1,000.00) in value of property held and used as the place of residence of the owner (art. V, sec. 5, amended 1936).

(d) *Rate limitation.*—The total State and county property tax shall not exceed 15 cents on the \$100 value, except a county tax for a special purpose. The State tax shall not exceed 5 cents on the \$100 valuation. These limitations do not apply to school taxes required by article IX:

The total of the State and county tax on property shall not exceed fifteen cents on the one hundred dollars value of property except when the county property tax is levied for a special purpose and with the special approval of the General Assembly, which may be done by special or general act: *Provided*, this limitation shall not apply to taxes levied for the maintenance of the public schools of the State for the term required by article nine, section 3, of the Constitution; *Provided further*, the State tax shall not exceed five cents on the one hundred dollars value of property (art. V, sec. 6).

2. INCOME TAXES

The constitution authorizes a tax on incomes. (See par. B-1-a.)

3. DEATH TAXES

An inheritance tax is imposed.

4. FRANCHISE TAXES

Franchise taxes are authorized. (See par. B-1-a.)

5. LICENSE TAXES

Authority for license or occupational taxes is also granted. (See par. B-1-a.)

6. POLL TAXES

(a) A capitation tax by the State and by municipalities is provided:

The General Assembly may levy a capitation tax on every male inhabitant of the State over twenty-one and under fifty years of age, which said tax shall not exceed two dollars, and cities and towns may levy a capitation tax which shall not exceed one dollar. No other capitation tax shall be levied. The commissioners of the several counties and of the cities and towns may exempt from the capitation tax any special cases on account of poverty or infirmity (art. V, sec. 1, amended 1920).

(b) Proceeds of capitation taxes are to be applied to education and support of the poor (art. V, sec. 2).

C & D. SPECIFIC PROVISIONS (COUNTIES AND MUNICIPALITIES) :

NOTE.—The North Carolina Constitution (article VII) under the caption "Municipal Corporations" includes counties, cities, and all political subdivisions, and the constitutional provisions herein quoted will apply to the respective subdivisions as mentioned therein.

1. PROPERTY TAXES

(a) Each county shall have five commissioners who shall divide the counties into districts, called townships, which shall have corporate powers for local government. Each township shall have a board of trustees who shall, under the supervision of the commissioners, control taxes and finances (art. VII, secs. 1, 2, 3, 4, 5).

(b) The trustees of townships shall assess the taxable property therein :

The township board of trustees shall assess the taxable property of their townships and make return to the county commissioners for revision, as may be prescribed by law. The clerk shall be, ex officio, treasurer of the township (art. VII, sec. 6).

(c) County commissioners are empowered to levy taxes and to have control over the finances of the county :

It shall be the duty of the commissioners to exercise a general supervision and control of the penal and charitable institutions, schools, roads, bridges, levying of taxes and finances of the county, as may be prescribed by law * * * (art. VII, sec. 2).

2. LIMITATION OF TAXING AUTHORITY

(a) No county, city, or other municipal corporation shall levy any tax except for the necessary expenses thereof without the consent of the voters therein :

No county, city, town, or other municipal corporation shall contract any debt, pledge its faith or loan its credit, nor shall any tax be levied or collected by any officers of the same except for the necessary expenses thereof, unless by a vote of the majority of the qualified voters therein (art. VII, sec. 7).

(b) The general assembly is given power to modify, change, or abrogate any provisions of article VII, except section 7 (taxes for necessary expenses), section 9 (since repealed), and section 11 (now 10, appointment of justices of the peace) :

The general assembly shall have full power by statute to modify, change, or abrogate any and all of the provisions of this article, and substitute others in their place, except sections seven, nine, and thirteen (art. VII, sec. 14).

(c) For rate limitation, see article V, section 6, Paragraph B-1-d.

NORTH DAKOTA

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1889, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative power is vested in a legislative assembly, and the power of initiative and referendum is reserved to the people (art. II, sec. 25, as amended).

(b) The legislature is empowered to pass all laws to enforce the constitution.

The legislative assembly shall pass all laws necessary to carry into effect the provisions of this constitution (art. II, sec. 68).

(c) The legislature is required to pass laws necessary to enforce the taxing provisions of the constitution.

The legislative assembly shall pass all laws necessary to carry out the provisions of this article (revenue and taxation, art. XI, sec. 181).

2. LEGISLATIVE LIMITATIONS

(a) The taxing power may not be surrendered.

The power of taxation shall never be surrendered or suspended by any grant or contract to which the State or any county or other municipal corporation shall be a party (art. XI, sec. 178).

(b) Special privileges or immunities are prohibited:

No special privileges or immunities shall ever be granted which may not be altered, revoked, or repealed by the legislative assembly: nor shall any citizen or class of citizens be granted privileges or immunities which upon the same terms shall not be granted to all citizens (art. I, sec. 20).

(c) The legislature is prohibited from passing special or local laws in the following cases: Regulating county or township affairs; changing the law of descent; for assessment or collection of taxes; exempting property from taxation; and incorporation of cities, towns, or villages (art. II, sec. 69).

(d) In all cases where a general law can be made applicable, no special law shall be enacted:

In all other cases where a general law can be made applicable, no special law shall be enacted; nor shall the legislative assembly indirectly enact such special or local law by the partial repeal of a general law, but laws repealing local or special acts may be passed (art. II, sec. 70).

(e) All laws of a general nature shall have a uniform operation (art. I, sec. 11).

3. WIFE'S SEPARATE ESTATE

A wife's separate estate is provided for, and her separate property is not liable for the debts of her husband (art. XVII, sec. 213).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Equality and valuation.*—(1) Taxes are required to be uniform upon the same class of property, including franchises. The legisla-

ture may exempt personal property from taxation, and certain other property named in this section shall be exempt:

Taxes shall be uniform upon the same class of property, including franchises within the territorial limits of the authority levying the tax. The legislature may by law exempt any or all classes of personal property from taxation and within the meaning of this section, fixtures, buildings, and improvements of every character, whatsoever, upon land shall be deemed personal property. The property of the United States and of the state, county, and municipal corporations and property used exclusively for schools, religious, cemetery, charitable, or other public purposes shall be exempt from taxation. Except as restricted by this article, the legislature may provide for raising revenue and fixing the situs of all property for the purpose of taxation. Provided that all taxes and exemptions in force when this amendment is adopted shall remain in force until otherwise provided by statute (art. XI, sec. 176, as amended by art. 29 of amendments).

(2) Lands belonging to citizens of the United States residing without the State of North Dakota shall not be taxed at a higher rate than the lands belonging to residents of the State (art. XVI, sec. 203).

(b) *Taxation of grain.*—

The legislature may further provide that grain grown within the State and held therein in elevators, warehouses, and granaries may be taxed at a fixed rate (sec. 176, amendment 7).

(c) *Tax to indemnify for damage to growing crops.*—

The legislature may by law provide for the levy and collection of an acreage tax on lands within the state in addition to the limitations specified in section 174 in Article 11 of the Constitution. The proceeds of such tax shall be used to indemnify the owners of growing crops against damages by hail, provided that lands used exclusively for public roads, rights of way of common carriers, mining, manufacturing, or pasturage may be exempt from such tax (amendment to sec. 177, art. XI).

(d) *Tax for payment of bond issues.*—Every law authorizing a bond issue shall provide for an annual tax sufficient to pay interest thereon and for retirement of the bonds within thirty years from date of issue (art. XII, sec. 182, amended by art. 31 of amendments).

(e) *Assessment of property.*—(1) Taxable property shall be assessed in the county or other political subdivision where situated, except property of certain public service corporations, which shall be assessed by the state board of equalization:

All taxable property except as hereinafter in this section provided, shall be assessed in the county, city, township, village, or district in which it is situated, in the manner prescribed by law. The property, including franchises of all railroads operated in this state, and of all express companies, freight line companies, dining car companies, sleeping car companies, car equipment companies, or private car line companies, telegraph or telephone companies, the property of any person, firm, or corporation used for the purpose of furnishing electric light, heat or power, or in distributing the same for public use, and the property of any other corporation, firm, or individual now or hereafter operating in this state, and used directly or indirectly in the carrying of persons, property, or messages, shall be assessed by the State Board of Equalization in a manner prescribed by such state board or commission as may be provided by law. But should any railroad allow any portion of its railway to be used for any purpose other than the operation of a railroad thereon, such portion of its railway, while so used shall be assessed in a manner provided for the assessment of other real property (art. XI, sec. 179, as amended).

(2) Improvements on land shall be assessed as provided in sec. 179, article XI. (See par. B-1-e-(1)):

All improvements on land shall be assessed in accordance with section 179, but plowing shall not be considered as an improvement or add to the value of the land for the purpose of assessment (art. XI, sec. 177).

(f) *Exemptions*.—(1) Constitutional exemptions (public property): Property of the United States, and of the counties and municipal corporations, and property used exclusively for schools, religious, cemetery, charitable, or other public purposes is exempt from taxation (art. XI, sec. 176, as amended).

(2) Legislative exemptions (personal property): Any or all classes of personal property, including fixtures, buildings, and improvements of every character, which are deemed personal property, may be exempted from taxation (art. XI, sec. 176, amended).

(3) Homestead exemptions, etc.:

The right of the debtor * * * shall be recognized by wholesome laws, exempting from forced sale to all heads of families a homestead the value of which shall be limited * * * and a reasonable amount of personable property * * * (art. XVII, sec. 208).

(g) *Rate limitations*.—The legislature shall provide for raising revenue for State expenses, not to exceed in any one year 4 mills on the dollar of the valuation of taxable property in the State:

The legislative assembly shall provide for raising revenue sufficient to defray the expenses of the state for each year, not to exceed in any one year four (4) mills on the dollar of the assessed valuation of all taxable property in the state, to be ascertained by the last assessment made for state and county purposes, and also a sufficient sum to pay the interest on the state debt (art. XI, sec. 174).

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) *Powers of taxation*.—Article X of the Constitution provides for county and township organization under legislative authority. The section recognizes the existing counties in the territory of the State. Regulation of county and township affairs must be by general laws. (See par. A-2-c.)

(b) *Assessment of lands*.—Lands shall be assessed in the county where situated (art. XI, sec. 179, par. B-1-e-(1)).

(c) *Tax to retire debts*.—Any county or other political subdivision must at the time or before incurring same levy an annual tax to pay the interest and the principal thereof (art. XII, sec. 184).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(a) General laws are to be made for organization of municipal corporations, restricting their powers as to taxation and assessment:

The legislative assembly shall provide by general law for the organization of municipal corporations, restricting their powers as to levying taxes and assessments, borrowing money, and contracting debts; and money raised by taxation, loan, or assessment for any purpose shall not be diverted to any other purpose by authority of law (art. VI, sec. 130).

2. INCOME TAX

An income tax is imposed.

3. DEATH TAXES

An inheritance tax is imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed (art. XI, sec. 179, pars. B-1-a, and B-1-e-(1)).

5. LICENSE TAXES

License or occupational taxes are imposed.

6. POLL TAX

Authority is given for the imposition of a poll tax of not more than one dollar and fifty cents (art. XI, sec. 180).

OHIO

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1851, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative power of the State is vested in a general assembly, the people reserving the right of initiative and referendum (art. II, sec. 1).

(1) The reservation of initiative and referendum powers is extended to municipalities (art. II, sec. 1f).

(2) The initiative and referendum powers cannot be used to pass certain laws affecting taxes:

The powers defined herein as the "initiative" and "referendum" shall not be used to pass a law authorizing any classification of property for the purpose of levying different rates of taxation thereon or of authorizing the levy of any single tax on land or land values or land sites at a higher rate or by a different rule than is or may be applied to improvements thereon or to personal property (art. II, sec. 1e).

(3) Laws providing for tax levies, appropriations for the expenses of the State government and State institutions, and emergency laws necessary for the immediate preservation of the public peace, health, and safety * * * shall not be subject to the referendum (art. II, sec. 1d).

(b) Taxes for State expenses and interest on State debt:

The General Assembly shall provide for raising revenue sufficient to defray the expenses of the State for each year, and also a sufficient sum to pay the interest on the State debt (art. XII, sec. 4).

2. LEGISLATIVE LIMITATIONS

(a) Special privileges or immunities may not be altered,

* * * and no special privileges or immunities shall ever be granted, that may not be altered, revoked, or repealed by the General Assembly (art. I, sec. 2).

(b) All laws of a general nature shall have a uniform operation, and no act, except such as relates to schools, can take effect upon the approval of any other authority than the general assembly:

All laws, of a general nature, shall have a uniform operation throughout the state; nor, shall any act, except such as relates to public schools, be passed

to take effect upon the approval of any other authority than the general assembly, except, as otherwise provided in this constitution (art. II, sec. 26).

(c) *Excise taxes.*—

On and after November 11, 1936, no excise tax shall be levied or collected upon the sale or purchase of food for human consumption off the premises where sold (art. XII, sec. 12, amended 1936).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—Taxes on land and improvements are to be taxed by uniform rule according to value. No property to be taxed in excess of one percent of value. Exemptions provided:

No property taxed according to value, shall be so taxed in excess of one percent of its true value in money for all state and local purposes, but laws may be passed authorizing additional taxes to be levied outside of such limitation, either when approved by at least a majority of the electors of the taxing district voting on such proposition, or when provided for by the charter of a municipal corporation. Land and improvements thereon shall be taxed by uniform rule according to value. All bonds outstanding on the first day of January, 1913, of the State of Ohio or of any city, village, hamlet, county or township in this state, or which have been issued in behalf of the public schools of Ohio and the means of instruction in connection therewith, which bonds were outstanding on the first day of January, 1913, and all bonds issued for the world war compensation fund, shall be exempt from taxation, and, without limiting the general power subject to the provisions of Article I of this constitution, to determine the subjects and methods of taxation or exemptions therefrom, general laws may be passed to exempt burying grounds, public school houses, houses used exclusively for public worship, institutions used exclusively for charitable purposes, and public property used exclusively for any public purpose, but all such laws shall be subject to alteration or repeal; and the value of all property so exempted shall, from time to time, be ascertained and published as may be directed by law (art. XII, sec. 2, amended 1933).

(b) *Rate limitation exception.*—The following prior tax levies are not subject to the one percent limitation: (1) For sinking fund or retirement of bonds; (2) for the purposes of the conservancy and sanitary districts; (3) tax levies authorized by vote of the electors of any political subdivisions of the State; (4) tax levies provided for by the charter of a municipal corporation. These exceptions were provided for in the measure submitting the above constitutional amendment for approval.

(c) *Corporate property.*—Corporate property is subject to taxation the same as that of individuals:

The property of corporations, now existing or hereafter created, shall forever be subject to taxation, the same as the property of individuals (art. XIII, sec. 4).

(d) *School taxes.*—

The General Assembly shall make such provisions, by taxation, or otherwise, as, * * * will secure a thorough and efficient system of common schools throughout the state * * * (art. VI, sec. 2).

(e) *Compensation for war veterans.*—By an amendment to the constitution (1921), a bond issue of \$25,000,000 was authorized, exempt from taxation, to provide a compensation fund for world war veterans, and an annual tax, in addition to all other taxes, was required to be levied for the retirement of said bonds and to pay administrative expenses of the fund (art. VIII, sec. 2a).

(f) *Taxes for sinking fund.*—A sinking fund shall be provided for the payment of the public debt, said fund to consist of the income of public works and stocks owned by the State and such sum as may be required to be raised by taxation:

The faith of the state being pledged for the payment of its public debt, in order to provide therefor, there shall be created a sinking fund, which shall be sufficient to pay the acquiring interest on such debt, and, annually, to reduce the principal thereof, by a sum not less than one hundred thousand dollars, increased yearly, and each and every year, by compounding, at the rate of six per cent per annum. The said sinking fund shall consist, of the net annual income of the public works and stocks owned by the state, of any other funds or resources that are, or may be, provided by law, and such further sum, to be raised by taxation, as may be required for the purposes aforesaid (art. VIII, sec. 7).

(g) *Exemptions.*—(1) Forest reserves and natural resources:

Laws may be passed to encourage forestry, and to that end areas devoted exclusively to forestry may be exempted, in whole or in part, from taxation. Laws may also be passed to provide for converting into forests reserves such lands or parts of lands as have been or may be forfeited to the State, and to authorize the acquiring of other lands for that purpose; also, to provide for the conservation of the natural resources of the State (art. II, sec. 36).

(2) Bond issue for compensation of veterans: Bonds of an issue of \$25,000,000, authorized for compensation of World War veterans, are exempted from taxation (art. VIII, sec. 2a).

(3) Public, religious, charitable, etc., property: Exemptions are also provided for public property, that used for religious and charitable purposes and burying grounds (art. XII, sec. 2, par. B-1-a).

2. INCOME TAXES

(a) Income taxes are imposed:

Laws may be passed providing for the taxation of incomes, and such taxation may be either uniform or graduated, and may be applied to such incomes as may be designated by law; but a part of each annual income not exceeding three thousand dollars may be exempt from such taxation (art. XII, sec. 8).

(b) By an amendment (1930), not less than 50 percent of income taxes shall be returned to the taxing district in which the tax originated:

Not less than fifty per centum of the income and inheritance taxes that may be collected by the state shall be returned to the county, school district, city, village, or township in which said income or inheritance tax originates, or to any of the same, as may be provided by law (art. XII, sec. 9).

3. DEATH TAXES

(a) Inheritance and estate taxes are imposed:

Laws may be passed providing for the taxation of the right to receive, or to succeed to, estates, and such taxation may be uniform or it may be so graduated as to tax at a higher rate the right to receive, or to succeed to, estates of larger value than to estates of smaller value. Such tax may also be levied at different rates upon collateral and direct inheritances, and a portion of each estate not exceeding twenty thousand dollars may be exempt from such taxation (art. XII, sec. 7).

(b) Not less than 50 percent of the inheritance tax shall be returned to the taxing district where same originated. (See par. B-2-b.)

4. FRANCHISE TAXES

Franchise taxes are imposed:

Laws may be passed providing for excise and franchise taxes and for the imposition of taxes upon the production of coal, oil, gas, and other minerals (art. XIII, sec. 3, and art. XII, sec. 10).

5. LICENSE TAXES

License taxes are imposed.

6. POLL TAXES

A poll tax is prohibited:

No poll tax shall ever be levied in this State, or service required, which may be commuted in money or other thing of value (art. XII, sec. 1).

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

The commissioners of counties and township trustees have powers of local taxation:

The commissioners of counties, the trustees of townships, and similar boards, shall have such power of local taxation, for police purposes, as may be prescribed by law (art. X, sec. 7).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(a) The organization of cities and villages shall be provided for by general law, and their powers of assessment and taxation shall be limited by the general assembly:

The general assembly shall provide for the organization of cities, and incorporated villages, by general laws, and restrict their power of taxation, assessment, borrowing money, contracting debts and loaning their credit, so as to prevent the abuse of such power (art. XIII, sec. 6).

(b) Municipalities may assess property benefited by a public improvement, not in excess of the benefits conferred by such improvements:

Any municipality appropriating private property for a public improvement may provide money therefore (therefor) in part by assessments upon benefited property not in excess of the special benefits conferred upon such property by the improvements. Said assessments, however, upon all the abutting, adjacent, and other property in the district benefited shall in no case be levied for more than fifty per centum of the cost of such appropriation (art. XVIII, sec. 11).

(c) The legislature may limit the power of municipalities to levy taxes:

Laws may be passed to limit the power of municipalities to levy taxes and incur debts for local purposes * * * (art. XVIII, sec. 13).

2. POWERS OF LOCAL GOVERNMENT

(a) Municipalities are given authority to exercise all powers of local self-government and to enforce regulations not in conflict with general laws:

Municipalities shall have authority to exercise all powers of local self-government and to adopt and enforce within their limits such local police, sanitary and other similar regulations, as are not in conflict with general laws (art. XVIII, sec. 3).

(b) The initiative and referendum powers may be exercised by the people of each municipality:

The initiative and referendum powers are hereby reserved to the people of each municipality on all questions which such municipalities may now or hereafter be authorized by law to control by legislative action; such powers shall be exercised in the manner now or hereafter provided by law (art. II, sec. 1f).

3. CLASSIFICATION OF MUNICIPALITIES

(a) Municipalities are classified into cities and villages according to population (art. XVIII, sec. 1).

(b) General laws shall be passed to provide for the incorporation of cities and villages (art. XVIII, sec. 2).

OREGON

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1857, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative authority is vested in the legislative assembly, the power of initiative and referendum being reserved to the people, and extended to political subdivisions as to local affairs (art. IV, sec. 1).

(b) Each house is given all powers necessary for a branch of the legislative department of a free and independent State (art. IV, sec. 17).

2. LEGISLATIVE LIMITATIONS

(a) No local or special laws may be passed in certain cases:

The Legislative Assembly may not pass local or special laws * * * for the assessment and collection of taxes for state, county, township, or road purposes * * * for supporting common schools * * * (art. IV, sec. 23).

(b) Granting exclusive privileges or immunities is prohibited:

No law shall be passed granting to any citizen or class of citizens, privileges or immunities which, upon the same terms, shall not equally belong to all citizens (art. I, sec. 20).

3. THE WIFE'S SEPARATE ESTATE

The property and pecuniary rights of every married woman, at the time of marriage, or afterward acquired by gift, devise, or inheritance, shall not be subject to the debts or contracts of the husband; and laws shall be passed providing for the registration of the wife's separate property (art. XV, sec. 5).

4. ALIEN PROPERTY RIGHTS

(a) White foreigners, resident of the State, shall enjoy the same property rights as native-born citizens:

White foreigners who are or may hereafter become residents of this state shall enjoy the same rights in respect to the possession, enjoyment, and

descent of property as native-born citizens. And the legislation assembly shall have power to restrain and regulate the immigration to this state of persons not qualified to become citizens of the United States (art. I, sec. 31).

(b) Article XV, section 8, provides Chinamen are not to hold real estate or work in mining claims. The section however appears to be inoperative.

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—(1) Uniform rules of assessment and taxation are required: Taxes must be collected under general laws operating uniformly:

The legislative assembly shall, and the people through the initiative may, provide by law uniform rules of assessment and taxation. All taxes shall be levied and collected under general laws operating uniformly throughout the state (art. IX, sec. 1).

(2) Taxes may not be imposed without the consent of the people; taxation shall be uniform upon the same class of subjects:

No tax or duty shall be imposed without the consent of the people or their representatives in the legislative assembly; and all taxation shall be uniform on the same class of subjects within the territorial limits of the authority levying the tax (art. I, sec. 32).

(b) *School taxes.*—The legislature shall provide by law for the establishment of a uniform and general system of common schools (art. VIII, sec. 3).

(c) *Tax for deficiencies in revenue.*—When expenses for any fiscal year exceed the income, a tax for the ensuing year shall be levied sufficient to pay same as well as for expenses for that year:

Whenever the expenses of any fiscal year shall exceed the income, the legislative assembly shall provide for levying a tax for the ensuing fiscal year, sufficient with other sources of income, to pay the deficiency, as well as the estimated expense of the ensuing fiscal year (art. IX, sec. 6).

(d) *Tax for soldiers' bonus.*—

There shall be levied each year, at the same time and in the same manner that other taxes are levied, a tax upon all property in the state of Oregon not exempt from taxation, not to exceed two mills on each dollar valuation, to provide for the payment of principal and interest of the bonds authorized to be issued by this amendment. The two mills additional tax herein provided for is hereby specifically authorized and shall not be computed as a part of the revenue raised by taxation which is subject to the tax limitation of section 11, article XI, of the constitution of the state of Oregon, and said tax levy hereby authorized shall be in addition to all other taxes which may be levied according to law (art. XI-c, sec. 2).

(e) *Limitation upon amount of revenue to be raised by taxation.*—

Unless specially authorized by a majority of the legal voters voting upon the question neither the state nor any county, municipality, district, or body to which the power to levy a tax shall have been delegated shall in any year so exercise that power as to raise a greater amount of revenue for purposes other than the payment of bonded indebtedness or interest thereon than the total amount levied by it in the year immediately preceding for purposes other than the payment of bonded indebtedness or interest thereon plus six per centum thereof; *Provided*, whenever any new county, municipality, or other taxing district shall be created and shall include in whole or in part property theretofore included in another county, like municipality, or other taxing district, no greater amount of taxes shall be levied in the first year by either the old or the new county, municipality, or other taxing district upon any property included therein than the amount levied thereon in the preceding year by the county, municipality, or district in which it was then included plus six per centum thereof; provided

further, that the amount of any increase in levy specifically authorized by the legal voters of the state, or of a county, municipality, or other district, shall be excluded in determining the amount of taxes which may be levied in any subsequent year * * * (art. XI, sec. 11; amended 1933).

(f) *Exemptions.*—There is no specific provision, now effective, authorizing exemption of property from taxation, but see pars. A-1-b and B-6.

2. INCOME TAXES

An income tax is imposed.

3. DEATH TAXES

Inheritance and estate taxes are imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed.

5. LICENSE TAXES

License taxes are imposed.

6. POLL TAXES

The collection of poll taxes is prohibited:

No poll tax shall be levied or collected in Oregon. The legislative assembly shall not declare an emergency in any act regulating taxation or exemption (art. IX, sec. 1-a; amended).

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) The legislature is prohibited from enacting special or local laws for the assessment and collection of taxes for State, county, township, or road purposes (art. IV, sec. 23).

(b) Limit of revenue to be raised by taxation (art. XI, sec. 11, par. B-1-e).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

The legislature shall restrict the powers of taxation of towns and cities:

Acts of legislative assembly incorporating towns and cities shall restrict their powers of taxation, borrowing money, contracting debts, and loaning their credit (art. XI, sec. 5).

2. CREATION AND ORGANIZATION OF MUNICIPALITIES

(a) Corporations may not be created by special laws. Towns and cities may enact and amend their charters:

Corporations may be formed under general laws, but shall not be created by the legislative assembly by special laws. The legislative assembly shall not enact, amend, or repeal any charter or act of incorporation for any municipality,

city, or town. The legal voters of every city and town are hereby granted power to enact and amend their municipal charter, subject to the constitution and criminal laws of the state of Oregon; * * * (art. XI, sec. 2).

(b) Incorporated cities and towns may surrender existing charters and be merged into an adjoining city or town, provided a majority of the electors of each affected authorize the surrender or merger (art. XI, sec. 2-a).

E. SPECIFIC PROVISIONS (UTILITY DISTRICTS)

1. PROPERTY TAXES

Utility districts may be created for the purpose of supplying water, development of water power, and like matters—with power to levy taxes:

People's utility districts may be created of territory, contiguous or otherwise, within one or more counties, and may consist of an incorporated municipality, or municipalities, with or without unincorporated territory, for the purpose of supplying water for domestic and municipal purposes; for the development of water power and/or electric energy; and for the distribution, disposal, and sale of water, water power, and electric energy. Such districts shall be managed by boards of directors consisting of five members, who shall be residents of such districts. Such districts shall have power: * * *

To levy taxes upon the taxable property of such districts. * * * (art. XI, sec. 12).

OKLAHOMA

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1907, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative power is vested in the legislature, the power of initiative and referendum being reserved (art. V, sec. 1).

(b) The power of the legislature shall extend to all rightful subjects of legislation:

The authority of the Legislature shall extend to all rightful subjects of legislation, and any specific grant of authority in this constitution, upon any subject whatsoever, shall not work a restriction, limitation, or exclusion of such authority upon the same or any other subject or subjects whatsoever (art. V, sec. 36).

2. LEGISLATIVE LIMITATIONS

(a) The legislature shall not, except as otherwise provided in the constitution, pass any special or local law regulating the affairs of counties, cities, towns, wards, or school districts; incorporating cities, towns, or villages, or changing their charters; changing the law of descent; or exempting property from taxation (art. V, sec. 46).

(b) No special or local law may be considered until advance notice thereof shall have been published:

No special or local law shall be considered by the legislature until notice of the intended introduction of such bill or bills shall first have been published * * * in the city or county affected by such law * * * (art. V, sec. 32).

(c) Laws of a general nature shall have a uniform operation (art. V, sec. 59).

(d) The granting of exclusive rights or immunities is prohibited (art. V, sec. 51).

(e) Taxes shall be collected by general laws for public purposes:

Taxes shall be levied and collected by general laws, and for public purposes only, except that taxes may be levied when necessary to carry into effect section 31 of the bill of rights (relative to the right of the state of engage in business for public purposes) * * * (art. X, sec. 14). [Parenthetical expression supplied.]

3. ALIENS, OR NONCITIZENS OF THE UNITED STATES, PROPERTY RIGHTS

No alien or person not a citizen of the United States can acquire title to or own land in the State:

No alien or person who is not a citizen of the United States shall acquire title to or own land in this State, and the legislature shall enact laws whereby all persons not citizens of the United States, and their heirs, who may hereafter acquire real estate in this state by devise, descent, or otherwise, shall dispose of the same within five years upon condition of escheat or forfeiture to the State: *Provided*, This shall not apply to Indians born within the United States, nor to aliens or persons not citizens of the United States who may become bona fide residents of this State: *And provided further*, That this section shall not apply to lands now owned by aliens in this State (art. XXII, sec. 1).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation*.—(1) Taxes shall be uniform upon the same class of subjects:

The power of taxation shall never be surrendered, suspended, or contracted away. Taxes shall be uniform upon the same class of subjects (art. X, sec. 5).

(2) Property shall be assessed at its fair cash value:

All property which may be taxed ad valorem shall be assessed for taxation at its fair cash value, estimated at the price it would bring at a fair voluntary sale * * * (art. X, sec. 8).

(3) The classification of property for taxation and the valuation of different classes by different methods is permitted:

Nothing in this constitution shall be held or construed to prevent the classification of property for purposes of taxation; and the valuation of different classes by different means or methods (art. X, sec. 22).

(4) Lands of citizens of the United States outside Oklahoma shall not be taxed at a higher rate than that belonging to residents of the State:

* * * Land belonging to citizens of the United States residing without the limits of the State shall never be taxed at a higher rate than the land belonging to residents thereof. * * * (art. I, sec. 3).

(5) A State board of equalization is provided to adjust and equalize the valuation of real and personal property of the counties of the State (art. X, sec. 21).

(b) *Annual levies for State purposes*.—(1) The legislature shall provide for an annual tax to defray the expenses of the State:

The legislature shall provide by law for an annual tax sufficient, with other resources, to defray the estimated ordinary expenses of the State for each fiscal year (art. X, sec. 2).

(2) When the expenses for any year exceed the income, sufficient amount to pay the deficiency may be levied the ensuing year:

Whenever the expenses of any fiscal year shall exceed the income, the legislature may provide for levying a tax for the ensuing fiscal year, which, with other resources, shall be sufficient to pay the deficiency, as well as the estimated ordinary expenses of the State for the ensuing year (art. X, sec. 3).

(3) The legislature is required to levy an annual tax sufficient to pay the interest and principal of the State debt:

For the purpose of paying the State debt, if any, the legislature shall provide for levying a tax, annually, sufficient to pay the annual interest and principal of such debt within 25 years from the final passage of the law creating the debt (art. X, sec. 4).

(4) The State may select its subjects of taxation:

The State may select its subjects of taxation, and levy and collect its revenues independent of the counties, cities, or other municipal subdivisions (art. X, sec. 13).

(c) *Rate limitation.*—Except as herein provided, the total taxes on an ad valorem basis, for all purposes, shall not exceed 31½ mills on the dollar, to be divided as stated herein:

Except as herein otherwise provided, the total taxes, on an ad valorem basis, for all purposes, State, county, township, city, or town, and school district taxes, shall not exceed in any one year 31½ mills on the dollar, to be divided as follows:

State levy, not more than 3½ mills; county levy, not more than 8 mills: *Provided*, That any county may levy not exceeding 2 mills additional for county high school and aid to the common schools of the county, not over 1 mill of which shall be for such high school, and the aid to said common schools shall be apportioned as provided by law; township levy, not more than 5 mills; city or town levy, not more than 10 mills; school district levy, not more than 5 mills on the dollar for school district purposes, for support of common school: *Provided*, That the aforesaid annual rate for school purposes may be increased by any school district by an amount not to exceed 10 mills on the dollar valuation, on condition that a majority of the voters thereof voting at an election vote for said increase (art. X, sec. 9).

(d) *Exemptions.*—(1) The following property is exempted from taxation:

All property used for free public libraries, free museums, public cemeteries, property used exclusively for religious and charitable purposes, and all property of the United States, and of this State, and of counties and of municipalities of this State; household goods of the heads of families, tools, implements, and live stock employed in the support of the family, not exceeding \$100 in value, and all growing crops, shall be exempt from taxation: *Provided*, That * * * there shall be exempt from taxation to all ex-Union and ex-Confederate soldiers, bona fide residents of this State, and to all widows of ex-Union and ex-Confederate soldiers, who are heads of families and bona fide residents of this State, personal property not exceeding \$200 in value * * * (art. X, sec. 6).

(2) *Homesteads:* An amendment to the constitution, providing that all homesteads within said State may be exempted from ad valorem taxation by the legislature, excepting all assessments, levies, encumbrances, and contract obligations made previous to such act of the legislature and providing that such act of the legislature shall remain in force for a period of not less than 20 years in which time the amount of homestead exemption may be increased, but not diminished, was adopted September 1935.

2. INCOME TAXES

Income taxes are imposed.

3. DEATH TAXES

An inheritance tax is imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed.

5. LICENSE TAXES

License taxes are imposed.

NOTE.—Paragraphs 2, 3, 4, and 5 above are all authorized by the following section:

The legislature shall have power to provide for the levy and collection of license, franchise, gross revenue, excise, income, collateral and direct inheritance, legacy, and succession taxes; also graduated income taxes, graduated collateral and direct inheritance taxes, graduated legacy and succession taxes; also stamp, registration, production, or other specific taxes (art. X, sec. 12).

6. POLL TAXES

Poll taxes are imposed.

The legislature may authorize the levy and collection of a poll tax on all electors of this State, under 60 years of age, not exceeding \$2 per capita, per annum, and may provide a penalty for the nonpayment thereof (art. X, sec. 18).

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) The legislature may not impose taxes for county purposes but may confer such power upon the authorities thereof:

The legislature shall not impose taxes for the purpose of any county, city, town, or other municipal corporation but may, by general laws, confer on the proper authorities thereof, respectively, the power to assess and collect taxes (art. X, sec. 20).

(b) County corporations may be authorized to levy taxes for local improvements upon property benefited:

The legislature may authorize county and municipal corporations to levy and collect assessments for local improvements upon property benefited thereby, homesteads included, without regard to cash valuation (art. X, sec. 7).

(c) Political subdivisions are required to levy sufficient revenue to provide a sinking fund for interest and retirement of outstanding bonds:

Counties, townships, school districts, cities, and towns shall levy sufficient additional revenue to create a sinking fund to be used, first, for the payment of interest coupons as they fall due; second, for the payment of bonds as they fall due; third, for the payments of such parts of judgments as such municipality may, by law, be required to pay (art. X, sec. 28).

(d) The powers of the initiative and referendum are extended to counties and districts, as to local legislation:

The powers of the initiative and referendum reserved to the people by this constitution for the State at large are hereby further reserved to the legal voters of every county and district therein, as to all local legislation, or action, in the administration of county and district government in and for their respective counties and districts * * * (art. V, sec. 5).

(e) *Rate limitation*.—(1) (See art. X, sec. 9, par. B-1-c.)

(2) In certain cases the above rates may be increased:

For the purpose of erecting public buildings in counties, cities, or school districts, the rates of taxation herein limited may be increased, when the rate of such increase and the purpose for which it is intended shall have been submitted to a vote of the people, and a majority of the qualified voters of such county, city, or school district, voting at such election, shall vote therefor; *Provided*, That such increase shall not exceed 5 mills on the dollar of the assessed value of the taxable property in such county, city, or school district (art. X, sec. 10).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

NOTE.—Except as noted below, the same provisions with respect to taxation by counties set out in the preceding section C also apply to the other political subdivisions of the State.

2. ORGANIZATION

Municipal corporations shall be created by general laws, and for their classification according to population:

Municipal corporations shall not be created by special laws, but the legislature, by general laws, shall provide for the incorporation and organization of cities and towns and the classification of same in proportion to population, subject to the provisions of this article (art. XVIII, sec. 1).

3. INITIATIVE AND REFERENDUM

The power of initiative and referendum is extended to municipal corporations (art. XVIII, sec. 4a).

4. EXEMPTIONS

Any incorporated city or town may be authorized to exempt manufacturing industries and public utilities from municipal taxation for a period not exceeding 5 years (art. X, sec. 6).

PENNSYLVANIA

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1873, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative power is vested in a general assembly (art. II, sec. 1).

2. LEGISLATIVE LIMITATIONS

(a) The General Assembly shall not pass any local or special law regulating the affairs of counties, cities, townships, wards, boroughs, or school districts; incorporating cities, towns, or villages; regulating the management of public schools, the building or repairing of school houses and the raising of money for such purposes; changing the law of descent or succession; exempting property from taxation;

creating corporations; granting to any corporation, association, or individual any special or exclusive privilege or immunity, or to any corporation, association, or individual the right to lay down a railroad track; or exempting property from taxation (art. III, sec. 7).

(b) Municipal authority may not be delegated to commissions, etc.:

The general assembly shall not delegate to any special commission, private corporation, or association any power to make, supervise, or interfere with any municipal improvement, money, property, or effects * * * or to levy taxes or perform any municipal function whatever (art. III, sec. 20).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—Taxes shall be uniform upon the same class of subjects and shall be levied and collected by general laws:

All taxes shall be uniform, upon the same class of subjects, within the territorial limits of the authority levying the tax, and shall be levied and collected under general laws; * * * (art. IX, sec. 1; amended 1923).

(b) *School taxes.*—

The General Assembly shall provide for the maintenance and support of a thorough and efficient system of public schools. * * * and shall appropriate at least one million dollars each year for that purpose (art. X, sec. 1).

(c) *Corporations and corporate property.*—

The power to tax corporations and corporate property shall not be surrendered or suspended by any contract or grant to which the State shall be a party (art. IX, sec. 3).

(d) *Exemptions.*—(1)

* * * The General Assembly may, by general laws, exempt from taxation public property used for public purposes, actual places of religious worship, places of burial not used or held for private or corporate profit, and institutions of purely public charity and real and personal property owned, and used by any branch, post or camp of honorably discharged soldiers, sailors and marines (art. IX, sec. 1; amended).

(2) All laws exempting property from taxation other than the property above enumerated shall be void (art IX, sec. 2).

(3) Certain exemptions or rebates may be granted to residents of other States:

Taxation laws may grant exemptions or rebates to residents, or estates of residents, of other States which grant similar exemptions or rebates to residents, or estates of residents, of Pennsylvania (art. IX, sec. 1B).

2. INCOME TAXES

A corporate income tax is imposed.

3. DEATH TAXES

Inheritance and estate taxes are imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed (arts. XVI–XVII).

5. LICENSE TAXES

License taxes are imposed.

6. POLL TAXES

Poll taxes are imposed.

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) Authority is given to classify counties, cities, and other political subdivisions according to population, the number of each class being restricted. All laws relating to each class shall be deemed general legislation within the meaning of the constitution (art. III, sec. 34).

(b) Any county or municipality incurring an indebtedness shall levy an annual tax to provide for its retirement (art. IX, sec. 10).

(c) *Taxes in consolidated counties and cities.*—The legislature is authorized to provide for the consolidation of the county and all subdivisions of Allegheny County into a consolidated city and county known as the city of Pittsburgh. Provision was made for the assessment of property, the levying and collection of taxes, including special taxes levied throughout the special districts, separate and apart from the general city tax. The continued existence of the cities, boroughs, and townships within the consolidated area as municipal divisions of the consolidated city under their present names and forms of government being provided; the amendment providing these municipal divisions shall continue to have the constitutional and legal capacity of municipal corporations, etc. (art. XV, sec. 4, as amended).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

Provision is made for the chartering of cities and for them to exercise the powers of local self-government, subject to legislative restrictions, limitations and regulations (art. XV, sec. 1, as amended).

2. CLASSIFICATION OF CITIES

(Art. III, sec. 34, C-1-a)

3. ASSESSMENT OF PROPERTY OWNERS FOR TRANSPORTATION FACILITIES
IN PHILADELPHIA

Philadelphia is also authorized to assess property owners for the construction and operation of transit facilities (art. IX, sec. 19, as amended).

4. CITY OF PITTSBURGH AND ALLEGHENY COUNTY

(See par. C-1-c)

RHODE ISLAND

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1843, as amended)

NOTE.—The Constitution of Rhode Island has few specific provisions as to taxation. Until the adoption of the constitution in 1843, the State government

had functioned under the charter of 1663 granted by Charles II. The general assembly has continued to exercise the same powers they had therefore (art. IV, sec. 10), and the taxing system is largely a development of the colonial customs and usages.

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative power is vested in the general assembly (art. IV, sec. 2).

(b) The general assembly shall pass all laws necessary for enforcement of the constitution:

The Constitution shall be the supreme law of the State. The General Assembly shall pass all laws necessary to carry this Constitution into effect (art. IV, sec. 1).

(c) Powers of the general assembly prior to the constitution are continued:

The General Assembly shall continue to exercise the powers they have heretofore exercised, unless prohibited by this Constitution (art. IV, sec. 10).

2. LEGISLATIVE LIMITATIONS

The only specific limitations in the constitution are with respect to taxes for religious purposes (art. I, sec. 3) and to incurring a State debt (art. IV, sec. 13).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Equality and valuation.*—The legislature shall provide for valuations of property for the assessment of taxes:

The general assembly shall, from time to time, provide for making new valuations of property, for the assessment of taxes, in such manner as they may deem best. A new estimate of such property shall be taken before the first direct state tax, after the adoption of this constitution, shall be assessed (art. IV, sec. 15).

(2) An equality and uniformity of the burden of taxation is suggested (by statute, property is assessed at its fair and full value):

All free governments are instituted for the protection, safety, and happiness of the people. All laws, therefore, should be made for the good of the whole; and the burdens of the state ought to be fairly distributed among its citizens (art. I, sec. 2).

(b) *Exemptions.*—No constitutional provision requires any property shall be exempt from taxation. The usual type of property is exempted by statutes.

2. INCOME TAXES

No income tax is imposed.

3. DEATH TAXES

An inheritance and estate tax is imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed. The general assembly is to provide for the creation and control of corporations:

Hereafter the general assembly may provide by general law for the creation and control of corporations: Provided, however, that no corporation shall be created with the power to exercise the right of eminent domain, or to acquire franchises in the streets and highways of towns and cities, except by special act of the general assembly upon a petition for the same, the pendency whereof shall be notified as may be required by law (art. IV, sec. 17, amended by amendment, art. IX, adopted November 1892).

5. LICENSES

License taxes are imposed by the State and municipalities.

6. POLL TAXES

An annual poll tax of \$1 is required to be assessed by each town and city, to be applied to the support of public schools (art. II, sec. 2, amended, art. VIII, sec. 2, and art. XX).

C. SPECIFIC PROVISIONS (COUNTIES)

There is no provision in the constitution for taxation by counties (there are only five in the State), and no such taxes are levied.

All taxes are either levied by the State or by the city or town in the domicile of the taxpayer or where his property may be located.

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

The general assembly is permitted to vest in a budget commission authority to impose taxes in any town or city:

* * * *Provided*, That if the general assembly shall at any time vest the authority to impose taxes and for the expenditure of money in any town or city in a budget commission, such commission shall consist of not less than five nor more than fifteen electors, of such qualifications and with such powers as the general assembly may prescribe, to be elected by the qualified electors of such town or city; and * * * (article of amendment XX (1928), sec. 1).

SOUTH CAROLINA

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1895, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative power is vested in the general assembly (art. 3, sec. 1).

2. LEGISLATIVE LIMITATIONS

Special laws are prohibited for the purposes of incorporating cities, towns, villages, or school districts or for the incorporating of various institutions or organizations which are not under the control of the State (art. 3, sec. 34).

3. WIFE'S SEPARATE ESTATE

The real and personal property of a woman held at the time of her marriage, or that which she may thereafter acquire, either by gift, grant, inheritance, devise, or otherwise, shall be her separate property, and she shall have all the rights incident to the same to which an unmarried woman or a man is entitled. She shall have the power to contract and be contracted with in the same manner as if she were unmarried (art. 17, sec. 9).

4. EXEMPTION OF NAVIGABLE WATERS FROM TAX, ETC., AS PUBLIC HIGHWAYS

All navigable waters shall forever remain public highways free to the citizens of the State and the United States without tax, impost, or toll imposed; and no tax, toll, impost, or wharfage shall be imposed, demanded, or received from the owners of any merchandise or commodity for the use of the shores or any wharf erected on the shores or in or over the waters of any navigable stream unless the same be authorized by the General Assembly (art. 1, sec. 28).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Equality and valuation.*—(1) A uniform and equal rate of assessment and taxation is required. Taxes other than property are authorized. Exemptions are authorized:

The General Assembly shall provide by law for a uniform and equal rate of assessment and taxation, and shall prescribe regulations to secure a just valuation for taxation of all property, real, personal, and possessory, except mines and mining claims, the products of which alone shall be taxed; and also excepting such property as may be exempted by law for municipal, educational, literary, scientific, religious, or charitable purposes: *Provided, however,* That the General Assembly may impose a capitation tax upon such domestic animals as from their nature and habits are destructive of other property: *And provided further,* That the General Assembly may provide for a graduated tax on incomes, and for a graduated license on occupations and business. * * * (art. 10, sec. 1).

(2) All property shall be taxed in proportion to its value:

All property subject to taxation shall be taxed in proportion to its value (art. 1, sec. 6).

(3) All property taxes shall be upon the actual value of the property taxed:

All taxes upon property, real and personal, shall be laid upon the actual value of the property taxed, as the same shall be ascertained by an assessment made for the purpose of laying such tax (art. 3, sec. 29).

(b) *Assessment of property taxes.*—The general assembly shall provide for one assessment of all property for all property taxes, State, county, and all other political subdivisions. All taxes are to be levied on the State assessment and taxes for all State subdivisions to be collected by the authorities thereof:

The General Assembly shall provide for the assessment of all property for taxation; and State, County, township, school, municipal, and all other taxes shall be levied on the same assessment, which shall be that made for State taxes; and the taxes for the subdivisions of the State shall be levied and collected by the respective fiscal authorities thereof (art. 10, sec. 13).

(c) *Intangible personal property.*—Taxation of intangible personal property for State, county, and municipal purposes shall not exceed one-half of 1 percent of the actual value thereof:

* * * *Provided, further.* That the General Assembly may provide by law for the assessment of all intangible personal property, including moneys, credits,

bank deposits, corporate stocks, and bonds, at its true value for taxation for State, County, and municipal purposes or either thereof: *Provided*, That the total rate of taxation imposed thereon shall never exceed one-half of one per centum of the actual value of such intangible property: *Provided, further*, That such intangible personal property shall not be subject to the three mill levy provided by Section 10, Article 11, of this instrument or to any other general or special tax levy, except such as is especially provided by the General Assembly by the authority and within the limitation of this provision; nor shall such intangible personal property be considered a part of "taxable property," as such term is used in this instrument, of the State or any subdivision thereof (art. 10, sec. 1, as amended).

(*d*) *School taxes*.—The legislature is required to provide for a liberal system of public schools (art. 11, sec. 5).

(*e*) *Exemptions*.—(1) The following property is exempted from taxation:

There shall be exempted from taxation all county, township, and municipal property used exclusively for public purposes and not for revenue, and the property of all schools, colleges, and institutions of learning, all charitable institutions in the nature of asylums for the infirm, deaf and dumb, blind, idiotic, and indigent persons, except where the profits of such institutions are applied to private use; all public libraries, churches, parsonages, and burying grounds; but property of associations and societies, although connected with charitable objects, shall not be exempt from State, county, or municipal taxation: *Provided*, That as to real estate this exemption shall not extend beyond the buildings and premises actually occupied by such schools, colleges, institutions of learning, asylums, libraries, churches, parsonages, and burial grounds, although connected with charitable objects (art. 10, sec. 4). (See art. 8, sec. 8, exemptions authorized by counties, cities, etc.)

(2) Provision is also made for homesteads, personal property, and wearing apparel for heads of families and for married women (art. 3, sec. 28).

2. INCOME TAXES

Income taxes are imposed. (See par. B-1-a.)

3. DEATH TAXES

An inheritance tax is imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed.

5. LICENSE TAXES

License taxes are imposed.

6. POLL TAXES

Poll taxes are imposed:

Managers of election shall require of every elector offering to vote at any election, before allowing him to vote, proof of the payment of * * * any poll tax, * * * (art. 11, sec. 4 (e), amended). (See par. C-1-b.)

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(*a*) *Uniformity and valuation*.—The corporate authorities of counties, cities, and all political subdivisions may be vested with taxing

powers for corporate purposes, such taxes to be uniform as to persons and property. Bank shares are to be listed at their true value and taxed where located. A like rule applies to shareholders of other corporate stock. All property not exempted shall be taxed:

The corporate authorities of counties, townships, school districts, cities, towns, and villages may be vested with power to assess and collect taxes for corporate purposes; such taxes to be uniform in respect to persons and property within the jurisdiction of the body imposing the same. All shares * * * in any bank or banking association * * * shall be listed at their true value in money and taxed for municipal purposes in the city, ward, town, or incorporated village, where such bank is located, and not elsewhere: *Provided*, That the words "true value in money" as used in line 12 (line 12 of original MS) * * * of this section shall be so construed as to mean and include all surplus or extra moneys, capital, and every species of personal property of value owned or in possession of any such bank: *Provided*, A like rule of taxation shall apply to the stockholders of all corporations other than banking institutions. And the General Assembly shall require that all the property, except that herein permitted to be exempted within the limits of municipal corporations, shall be taxed for corporate purposes and for the payment of debts contracted under authority of law * * * (art. 10, sec. 5).

(b) *School taxes*.—Counties are required to levy an annual tax of three mills on the dollar upon all the taxable property therein, and an annual poll tax of \$1 for public schools. The comptroller general is authorized to levy additional taxes for school purposes upon the taxable property of the State, under certain conditions. The general assembly may also authorize any school district to levy additional school taxes (art. 11, sec. 6).

(c) *Purposes for which taxes may be imposed*.—The general assembly shall not have power to authorize any county or township to levy taxes except for certain purposes named herein.

The General Assembly shall not have power to authorize any County or township to levy a tax or issue bonds for any purpose except for educational purposes, to build and repair public roads, buildings, and bridges, to maintain and support prisoners, pay jurors, county officers, and for litigation, quarantine, and Court expenses, and for ordinary county purposes, to support paupers, and pay past indebtedness (art. 10, sec. 6).

By subsequent amendments, various counties and townships have been excepted from the above limitations.

(d) *Special assessments*.—Certain named counties and municipalities are authorized to levy taxes upon abutting and adjacent property for the payment of various permanent improvements by several amendments to the constitution (arts. 8 and 10).

(e) *Exemption of manufactories*.—By amendment to the constitution (1930) authority was given cities and towns to exempt manufactories from taxation, except for school purposes. Subsequently, the legislature was authorized to extend this provision to certain counties, and it has been variously extended to manufacturing industries of various character and capital throughout the State (art. 8, sec. 8).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(a) *Uniformity*.—(1) Corporate authorities of municipalities may be vested with taxing powers, taxes to be uniform as to persons and property. (See Par. C-1-a.)

(2) Cities and towns shall have power to assess and collect taxes for corporate purposes, including license taxes. Taxes are to be uniform upon persons and property:

The corporate authorities of cities and towns in this State shall be vested with power to assess and collect taxes for corporate purposes, said taxes to be uniform in respect to persons and property within the jurisdiction of the body composing the same; and all the property, except such as is exempt by law, within the limits of cities and towns shall be taxed for the payment of debts contracted under authority of law. License or privilege taxes imposed shall be graduated so as to secure a just imposition of such tax upon the classes subject thereto (art. 8, sec. 6).

(b) *Limitation of taxing power.*—The powers of cities and towns to levy taxes and assessments shall be restricted by the legislature:

The General Assembly shall restrict the powers of cities and towns to levy taxes and assessments, to borrow money and to contract debts, and no tax or assessment shall be levied or debts contracted except in pursuance of law, for public purposes specified by law (art. 8, sec. 3).

(c) *Special assessments.*—There are certain cities and towns that by amendments to the constitution have been authorized to levy taxes upon abutting and adjacent property to pay for various permanent improvements (arts. 8 and 10).

(d) *Exemptions.*—Cities and towns are authorized to exempt manufactories from taxation, except for school purposes. (See par. C-1-e.)

2. ORGANIZATION

The organization and classification of municipal corporations is provided for, and the powers of each class to be defined by the general assembly:

The General Assembly shall provide by general laws for the organization and classification of municipal corporations. The powers of each class shall be defined so that no such corporations shall have any powers or be subject to any restrictions other than all corporations of the same class. Cities and towns now existing under special charters may reorganize under the general laws of the State, and when so reorganized, their special charters shall cease * * *

SOUTH DAKOTA

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1889—As Amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative power is vested in the legislature, the power of initiative and referendum, with certain exceptions, being reserved, and is extended to municipalities:

* * * except such laws as may be necessary for the immediate preservation of the public peace, health, or safety, support of the state government and its existing public institutions; * * * (art. III, sec. 1).

2. LEGISLATIVE LIMITATIONS

(a) Private or special laws may not be enacted in the following cases: Regulating county and township affairs; incorporating cities, towns, and villages; and granting to an individual, association, or cor-

poration any special or exclusive privilege, immunity, or franchise whatever (art. III, sec. 23).

(b) No special privilege or immunity may be granted:

No law shall be passed granting to any citizen, class of citizens, or corporation privileges or immunities which upon the same terms shall not equally belong to all citizens or corporations (art. VI, sec. 18).

(c) Powers as to municipal affairs may not be delegated:

The legislature shall not delegate to any special Commission, private corporation, or association any power to make, supervise, or interfere with any municipal improvement, money, property, effects, * * * or levy taxes * * * (art. X, sec. 2).

3. THE WIFE'S SEPARATE ESTATE

Rights of Married Women: The real and personal property of any woman in this state, acquired before marriage, and all property to which she may after marriage become in any manner rightfully entitled, shall be her separate property, and shall not be liable for the debts of her husband (art. XXI, sec. 5).

4. ALIEN PROPERTY RIGHTS

No distinction as to property rights can be made between resident aliens and citizens of the State:

No distinction shall ever be made by law between resident aliens and citizens, in reference to the possession, enjoyment, or descent of property (art. VI, sec. 14).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—(1) Taxation shall be equal and uniform:

No tax or duty shall be imposed without the consent of the people or their representatives in the legislature, and all taxation shall be equal and uniform (art. VI, sec. 17).

(2) The legislature is empowered to divide all property into classes, to determine what shall be subject to taxation and what exempt. Taxes are to be uniform upon the same classes; taxes may be imposed upon franchises, licenses, incomes, and gross earnings:

To the end that the burden of taxation may be equitable upon all property, and in order that no property which is made subject to taxation shall escape, the legislature is empowered to divide all property including moneys and credits as well as physical property into classes and to determine what class or classes of property shall be subject to taxation and what property, if any, shall not be subject to taxation. Taxes shall be uniform on all property of the same class and shall be levied and collected for public purposes only. Taxes may be imposed upon any and all property including privileges, franchises, and licenses to do business in the state. Gross earnings and net incomes may be considered in taxing any and all property, and the valuation of property for taxation purposes shall never exceed the actual value thereof. The legislature is empowered to impose taxes upon incomes and occupations, and taxes upon incomes may be graduated and progressive and reasonable exemptions may be provided (art. XI, sec. 2; amended).

(3) Moneys, credits, stocks, bonds, notes, and bills and assets of every description, of all banks or bankers, shall be taxed so that all property used in banking may be taxed, as is the property of individuals:

The legislature shall provide for taxing all moneys, credits, investments in bonds, stocks, joint stock companies, or otherwise; and also for taxing the notes

and bills discounted or purchased, moneys loaned and all other property, effects or dues of every description, of all banks and of all bankers, so that all property employed in banking shall always be subject to a taxation equal to that imposed on the property of individuals (art. XI, sec. 4).

(b) *Taxes for State expenses.*—An annual tax to defray the ordinary expenses of the State shall be provided, not to exceed 2 mills on the dollar of the assessed value of all taxable property.

In case of a deficiency in revenue, the legislature shall provide for an additional tax the ensuing year. And for the payment of the State debt, the legislature may levy an additional tax not to exceed 2 mills on the dollar in any one year:

The legislature shall provide for an annual tax, sufficient to defray the estimated ordinary expenses of the state for each year, not to exceed in any one year two mills on each dollar of the assessed valuation of all taxable property in the state, to be ascertained by the last assessment made for state and county purposes.

And whenever it shall appear that such ordinary expenses shall exceed the income of the state for such year, the legislature shall provide for levying a tax for the ensuing year, sufficient, with other sources of income, to pay the deficiency of the preceding year, together with the estimated expenses of such ensuing year. And for the purpose of paying the public debt, the legislature shall provide for levying tax annually, sufficient to pay the annual interest and the principal of such debt within ten years from the final passage of the law creating the debt; *provided*, that the annual tax for the payment of the interest and principal of the public debt shall not exceed in any one year two mills on each dollar of the assessed valuation of all taxable property in the state, as ascertained by the last assessment made for the state and county purposes (art. XI, sec. 1).

(c) *Taxation of corporate property.*—

The power to tax corporations and corporate property shall not be surrendered or suspended by any contract or grant to which the State shall be a party (art. XI, sec. 3).

(d) *Tax to indemnify for damages to crops by hail.*—

The providing of insurance against loss or damage to crops by hail is hereby declared to be a public purpose, and the legislature is authorized and empowered to levy an assessment upon agricultural land for such purpose, with such exemptions as may be provided by law.

The state may be divided into hail insurance districts and the assessment per acre in the different districts shall be as the legislature may determine, but such assessment shall be uniform upon all land of the same district that is similarly situated. The assessment hereby authorized may be levied by the legislature direct, or by the corporate authorities of the districts herein provided for, or by such other agency as may be authorized by general law (art. XXI, sec. 8).

(e) *Exemptions.*— (1) Constitutional exemptions:

The property of the United States and of the state, county, and municipal corporations, both real and personal, shall be exempt from taxation (art. XI, sec. 5).

(2) By an amendment to this section (1930), it was provided that all State-owned lands acquired under the rural credit act may be taxed for county, township, and school purposes.

(3) Legislative exemptions:

The legislature shall, by general law, exempt from taxation, property used exclusively for agricultural and horticultural societies, for school, religious, cemetery, and charitable purposes, and personal property to any amount not exceeding in value two hundred dollars for each individual liable to taxation (art. XI, sec. 6; see also par. B-1-a(2)).

2. INCOME TAXES

A gross income tax is imposed, applicable to business enterprises (art. XI, sec. 2; see par. B-1-a-(2)).

3. DEATH TAXES

An inheritance tax is imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed on domestic and foreign corporations (See par. B-1-(2).)

5. LICENSE TAXES

License or occupation taxes are imposed by the state and municipalities. (See par. B-1-2.)

6. POLL TAXES

Poll taxes are imposed.

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

The organization of counties shall be by general law (art. IX, sec. 1) and so shall be the organizing of counties into townships (sec. 4); county officers are to be elected (sec. 5). Regulation of county and township affairs must be by general laws. (See par. A-2-a.)

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(a) Municipal corporations shall be organized and classified by general laws. The legislature shall restrict their powers to levying taxes and assessments:

The legislature shall provide by general laws for the organization and classification of municipal corporations. The number of such classes shall not exceed four, and the powers of each class shall be defined by general laws, so that no such corporations shall have any powers, or be subject to any restrictions other than those of all corporations of the same class. The legislature shall restrict the power of such corporations to levy taxes and assessments, borrow money, and contract debts, so as to prevent the abuse of such power (art. X, sec. 1).

(b) *Special assessments.*—Municipalities may be vested with power to make local improvements by special assessments. Taxes for corporate purposes shall be uniform in respect to persons and property:

The legislature may vest the corporate authority of cities, towns, and villages, with power to make local improvements by special taxation of contiguous property or otherwise. For all corporate purposes, all municipal corporations may be vested with authority to assess and collect taxes; but such tax shall be uniform in respect to persons and property within the jurisdiction of the body levying the same (art. XI, sec. 10).

(c) Purposes for which taxes may be imposed.—

Except as otherwise provided in this constitution, no tax or assessment shall be levied or collected, or debts contracted by municipal corporations, except in pursuance of law, for public purposes specified by law; nor shall money raised by taxation, loan, or assessment for one purpose ever be diverted to any other (art. X, sec. 2).

TENNESSEE**Constitutional Provisions Relating to Taxation as of June 30, 1937**

(Constitution of 1870, as amended)

A. GENERAL PROVISIONS**1. LEGISLATIVE POWERS**

The legislative power is vested in the general assembly (art. II, sec. 3).

2. LEGISLATIVE LIMITATIONS

Special privileges and immunities are prohibited. Corporations must be created by general laws:

The legislature shall have no power to suspend any general law for the benefit of any particular individual, nor to pass any law for the benefit of individuals inconsistent with the general laws of the land; nor to pass any law granting to any individual or individuals, rights, privileges, immunity (immunities) or exceptions other than such as may be, by the same law extended to any member of the community, who may be able to bring himself within the provisions of such law. No corporation shall be created or its powers increased or diminished by special laws, but the general assembly shall provide by general laws for the organization of all corporations, hereafter created, which laws may, at any time, be altered or repealed, and no such alteration or repeal shall interfere with or divest rights which have become vested (art. XI, sec. 8).

B. SPECIFIC PROVISIONS (STATE)**1. PROPERTY TAXES**

(a) Uniformity and valuation.—All property shall be taxed according to its value so that taxes shall be equal and uniform. Privilege, poll, and income taxes on stocks and bonds not taxed ad valorem are authorized. Exemptions from taxation of certain property is authorized:

All property real, personal, or mixed, shall be taxed, but the legislature may except such as may be held by the state, by counties, cities, or towns, and used exclusively for public or corporation purposes, and such as may be held and used for purposes purely religious, charitable, scientific, literary, or educational, and shall except one thousand dollars' worth of personal property in the hands of each taxpayer, and the direct product of the soil in the hands of the producer, and his immediate vendee. All property shall be taxed according to its value, that value to be ascertained in such manner as the legislature shall direct, so that taxes shall be equal and uniform throughout the state. No one species of property from which a tax may be collected, shall be taxed higher than any other species of property of the same value, but the legislature shall have power to tax merchants, peddlers, and privileges, in such manner as they may from time to time direct. The portion of a merchant's capital used in the purchase of merchandise sold by him to nonresidents and sent beyond the state, shall not be taxed at a rate higher than the ad valorem tax on property. The legislature shall have power to levy a tax upon incomes derived from stocks and bonds that are not taxed ad valorem. All male citizens of this state over the

age of twenty-one years, except such persons as may be exempted by law on account of age or other infirmity shall be liable to a poll tax of not less than fifty cents nor more than one dollar per annum. Nor shall any county or corporation levy a poll tax exceeding the amount levied by the state (art. II, sec. 28).

(b) *School taxes*.—The legislature is required to provide for a common school system; State poll taxes are appropriated for educational purposes (art. XI, sec. 12).

(c) *Exemptions*.—(1) General: Public property, that used for religious, charitable, and educational purposes, and certain personal property is exempted (art. II, sec. 28, par. B 1-a).

(2) Homestead exemptions: A homestead exemption up to the value of \$1,000 is exempted from sale under legal process. The exemption does not apply as to taxes or purchase money (art. XI, sec. 11).

(3) Articles made from domestic products: Articles manufactured of the produce of the State may not be taxed other than to pay inspection fees.

No article manufactured of the produce of this state shall be taxed otherwise than to pay inspection fees (art. II, sec. 30).

2. INCOME TAXES

A tax on the net earnings of corporations is imposed. A tax on income from stocks and bonds is authorized. (See B-1-a; a constitutional amendment is pending.)

3. DEATH TAXES

Inheritance and estate taxes are imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed.

5. LICENSE TAXES

License taxes are imposed by the State, counties, and municipalities. (See par. B-1 (a).)

6. POLL TAXES

Poll taxes are imposed by the State, counties, and municipalities. (See par. B-1 (a).)

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

Counties and incorporated towns may be authorized to impose taxes for corporate purposes, all property to be taxed according to its value as is provided for State taxation:

The general assembly shall have power to authorize the several counties and incorporated towns in this state to impose taxes for county and corporation purposes, respectively, in such manner as shall be prescribed by law, and all property shall be taxed according to its value, upon the principles established in regard to state taxation (art. II, sec. 29).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

Incorporated towns may be authorized to levy taxes for corporation purposes. (See par. C-1.)

TEXAS

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1876, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative power is vested in the Legislature (art. III, sec. 1).

(b) The right to levy taxes is restricted to raising of revenue for the economical administration of the government:

The Legislature shall not have the right to levy taxes or impose burdens upon the people, except to raise revenue sufficient for the economical administration of the government * * * (art. III, sec. 48). (Among the purposes mentioned are retirement of the State debt and support of public schools and State institutions.)

(c) Specification of the subjects of taxation shall not deprive the legislature of the power to tax other subjects:

The specification of the objects and subjects of taxation shall not deprive the Legislature of the power to require other subjects or objects to be taxed in such manner as may be, consistent with the principles of taxation fixed in this Constitution (art. VIII, sec. 17).

2. LEGISLATIVE LIMITATIONS

(a) Special privileges and immunities are prohibited:

* * * and no irrevocable or uncontrollable grant of special privileges or immunities, shall be made; but all privileges and franchises granted by the Legislature, or created under its authority shall be subject to the control thereof (art. I, sec. 17).

(b) The legislature shall not pass local or special laws in the following cases: Regulating the affairs of counties, cities, towns, wards, or school districts; incorporating cities, towns, or villages, or changing their charters; changing the law of descent or succession; exempting property from taxation:

And in all other cases where a general law can be made applicable, no local or special law shall be enacted; *provided*, that nothing herein contained shall be construed to prohibit the Legislature from passing special laws for the preservation of the game and fish of this State in certain localities (art. III, sec. 56).

3. WIFE'S SEPARATE ESTATE

All property, both real and personal, of the wife, owned or claimed by her before marriage, and that acquired afterward by gift, devise, or descent, shall be her separate property; and laws shall be passed more clearly defining the rights of the wife, in relation as well to her separate property as that held in common with her husband. Laws shall also be passed providing for the registration of the wife's separate property (art. XVI, sec. 15).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Equality and valuation.*—(1) All property, other than municipal, shall be taxed in proportion to its value. Occupation and income taxes may be imposed. Household and kitchen furniture to the value of \$250 of each family is exempt from taxation:

All property in this State, whether owned by natural persons or corporations, other than municipal, shall be taxed in proportion to its value, which shall be ascertained as may be provided by law. The Legislature may impose a poll tax. It may also impose occupation taxes, both upon natural persons and upon corporations, other than municipal, doing any business in this State. It may also tax incomes of both natural persons and corporations other than municipal, except that persons engaged in mechanical and agricultural pursuits shall never be required to pay an occupation tax: Provided, That two hundred and fifty dollars worth of household and kitchen furniture, belonging to each family in this State, shall be exempt from taxation, and provided further that the occupation tax levied by any county, city or town for any year on persons or corporations pursuing any profession or business, shall not exceed one-half of the tax levied by the State for the same period on such profession or business (art. VIII, sec. 1).

(2) The legislature shall provide for equalizing the valuation of all taxable property and may provide for the classification of all lands with reference to value:

The Legislature shall provide for equalizing, as near as may be, the valuation of all property subject to or rendered for taxation (The County Commissioners' Court to constitute a board of equalization) and may also provide for the classification of all lands with reference to their value in the several counties (art. VIII, sec. 18).

(3) All property taxes shall be assessed and collected in the county where the property is situated. Property not returned for taxation shall be assessed at its fair value:

All property, whether owned by persons or corporations shall be assessed for taxation, and the taxes paid in the county where situated, but the Legislature may, by a two-thirds vote, authorize the payment of taxes of non-residents of counties to be made at the office of the Comptroller of Public Accounts. And all lands and other property not rendered for taxation by the owner thereof shall be assessed at its fair value by the proper officer (art. VIII, sec. 11).

(b) *School taxes.*—

* * * in addition thereto, there shall be levied and collected an annual ad valorem State tax of such an amount not to exceed thirty-five cents on the one hundred (\$100.00) dollars valuation, as with the available school fund arising from all other sources, will be sufficient to maintain and support the public schools of this State for a period of not less than six months in each year * * * (art. VII, sec. 3).

(c) *Taxation of Corporate property.*—

The power to tax corporations and corporate property shall not be surrendered or suspended * * * (art. VIII, sec. 4).

(d) *Tax for soldiers' and sailors' pensions.*—

* * * There is hereby levied in addition to all other taxes heretofore permitted by the Constitution of Texas, a State ad valorem tax on property of seven (\$.07) cents on the one hundred (\$100) dollars valuation for the purpose of creating a special fund for the payment of pensions for services in the Confederate Army and Navy, frontier organizations and the militia of the State of Texas, and for the widows of such soldiers serving in said armies, navies, organizations or militia; provided that the Legislature may reduce the tax rate

herein levied, and provided further, that the provisions of this section shall not be construed so as to prevent the grant of aid in cases of public calamity (art. III, sec. 51).

(e) *Rate limitation.*—

The State tax on property, exclusive of the tax necessary to pay the public debt, and of the taxes provided for the benefit of public free schools, shall never exceed thirty-five cents on the one hundred dollars valuation * * * (art. VIII, sec. 9).

(f) *Exemptions.*—The constitution provides the following tax exemptions:

(1) The property of counties and municipalities, owned only for public purposes and devoted exclusively to the use and benefit of the public, shall be exempt from taxation (art. XI, sec. 9).

(2) Farm products in the hands of the producer and family supplies:

Farm products in the hands of the producer, and family supplies for home and farm use, are exempt from all taxation until otherwise directed by a two-thirds vote of the members elect to both houses of the Legislature (art. VIII, sec. 19).

(3) \$3,000 of the assessed taxable value of all residence homesteads, and \$250 household goods:

Three Thousand Dollars (\$3,000.00) of the assessed taxable value of all residence homesteads as now defined by law shall be exempt from all taxation for State purposes; nothing herein shall apply within those counties and other political subdivisions now receiving any remission of State taxes, but upon the expiration of such period of remission this section shall become applicable within such counties and political subdivisions (art. VIII, sec. 1-a, amended; art. VIII, sec. 1). (See Par. B-1-a(1).)

(4) The legislature may exempt the following property from taxation:

* * * but the Legislature may, by general laws, exempt from taxation public property used for public purposes; actual places of religious worship, property owned by a church or by a strictly religious society for the exclusive use as a dwelling place for the ministry of such church or religious society, and which yields no revenue * * * places of burial not held for private or corporate profit; all buildings used exclusively and owned by persons or associations of persons for school purposes and the necessary furniture of all schools and property used exclusively and reasonably necessary in conducting any association engaged in promoting the religious, educational, and physical development of boys, girls, young men or young women operating under a State or National organization of like character; the endowment funds of such institutions of learning and religion not used with a view to profit; and when the same are invested in bonds or mortgages, or in land or other property which has been and shall hereafter be bought in by such institutions under foreclosure sales made to satisfy or protect such bonds or mortgages, that such exemption of such land and property shall continue only for two years after the purchase of the same at such sale by such institutions and no longer, and institutions of purely public charity; and all laws exempting property from taxation other than the property above mentioned shall be null and void (art. VIII, sec. 2; amended 1930).

(5) Agricultural or grazing school lands owned by counties are subject to taxation except for State purposes:

All agriculture or grazing school land mentioned in Section 6 of this Article owned by any county shall be subject to taxation except for State purposes to the same extent as lands privately owned (art. VII, sec. 6a).

2. INCOME TAXES

No income tax is imposed (art. VIII, sec. 1).

3. DEATH TAXES

An inheritance tax is imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed.

5. LICENSE TAXES

License or occupational taxes are authorized to be imposed by State, county, and municipalities:

All occupation taxes shall be equal and uniform upon the same class of subjects within the limits of the authority levying the tax * * * (art. VIII, sec. 2; amended 1930; see also par. B-1-a.)

6. POLL TAXES

Payment of a poll tax is required (art. VI, sec. 2, and art. VIII, sec. 1).

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) The regulation of the affairs of counties, cities, towns, and school districts must be by general laws (art. III, sec. 56).

(b) All property taxes shall be assessed and taxes paid in the county where situated (art. VIII, sec. 11).

(c) A special provision is made with respect to railroad property:

All property of railroad companies shall be assessed, and the taxes collected in the several counties in which said property is situated, including so much of the roadbed and fixtures as shall be in each county. The rolling stock may be assessed in gross in the county where the principal office of the company is located, and the county tax paid upon it, shall be apportioned by the Comptroller, in proportion to the distance such road may run through any such county, among the several counties through which the road passes, as a part of their tax assets (Art. VIII, Sec. 8).

(d) *Seawall construction.*—Counties and cities bordering on the Gulf of Mexico may levy a tax for construction of seawalls and breakwaters for sanitary purposes (art. XI, sec. 7).

(e) *County-owned school lands.*—

All agriculture or grazing school land mentioned in Section 6 of this Article owned by any county shall be subject to taxation except for State purposes to the same extent as lands privately owned (art. VII, sec. 6a; amended).

(f) *Lands owned by the University of Texas.*—

All lands mentioned in Sections 11, 12, and 15 of Article VII, of the Constitution of the State of Texas, now belonging to the University of Texas shall be subject to taxation for county purposes to the same extent as lands privately owned; provided they shall be rendered for taxation upon values fixed by the State Tax Board; and providing that the State shall remit annually to each of the counties in which said lands are located an amount equal to the tax imposed upon said land for county purposes (art. VII, sec. 16a; amended).

(g) *Separate taxes for sinking funds.*—(1) Counties and municipalities are authorized to levy taxes to provide for a sinking fund separately from taxes for current expenses (art. XI, sec. 6).

(2) Counties and political subdivisions may levy taxes to provide a sinking fund for the retirement of bonds issued for certain purposes:

* * * and levy and collect such taxes to pay the interest thereon and provide a sinking fund for the redemption thereof, as the legislature may authorize, and in such manner as it may authorize the same, for the following purposes to wit:

(a) The improvement of rivers, creeks, and streams to prevent overflows, and to permit of navigation thereof or irrigation thereof, or in aid of such purposes.

(b) The construction and maintenance of pools, lakes, reservoirs, dams, canals, and water ways for the purposes of irrigation, drainage, or navigation, or in aid thereof.

(c) The construction, maintenance, and operation of macadamized, graveled, or paved roads and turnpikes, or in aid thereof (art. III, sec. 52).

(h) *Rate limitation.*—

The State tax on property, exclusive of the tax necessary to pay the public debt, and of the taxes provided for the benefit of public free schools, shall never exceed thirty-five cents on the one hundred dollars valuation; and no county, city, or town shall levy more than twenty-five cents for city or county purposes, and not exceeding fifteen cents for roads and bridges, and not exceeding fifteen cents to pay jurors, on the one hundred dollars valuation, except for the payment of debts incurred prior to the adoption of the amendment September 25, A. D. 1883; and for the erection of public buildings, streets, sewers, waterworks, and other permanent improvements, not to exceed twenty-five cents on the one hundred dollars valuation in any one year, and except as is in this Constitution otherwise provided; and the Legislature may also authorize an additional annual ad valorem tax to be levied and collected for the further maintenance of the public roads; provided that a majority of the qualified property tax paying voters of the county voting at an election to be held for that purpose shall vote such tax, not to exceed fifteen cents on the one hundred dollars valuation of the property subject to taxation in such county. And the Legislature may pass local laws for the maintenance of the public roads and highways, without the local notice required for special or local laws (art. VIII, sec. 9).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(a) Cities and towns having 5,000 or less population may be chartered by general law and have powers of taxation. No tax for any one year shall exceed $1\frac{1}{2}$ percent of the taxable property of such city or town:

Cities and towns having a population of five thousand or less may be chartered alone by general law. They may levy, assess, and collect such taxes as may be authorized by law, but no tax for any purpose shall ever be lawful for any one year which shall exceed one and one-half per cent of the taxable property of such city; and all taxes shall be collectible only in current money; and all licenses and occupation taxes levied, and all fines, forfeitures, and penalties accruing to said cities and towns shall be collectible only in current money (art. XI, sec. 4).

(b) Cities of over 5,000 inhabitants may adopt or amend their charters: they may be authorized to assess and collect taxes. No tax for any purpose for any one year shall exceed $2\frac{1}{2}$ percent of the value of the taxable property therein (art. XI, sec. 5; amended):

* * * said cities may levy, assess, and collect such taxes as may be authorized by law or by their charters; but no tax for any purpose shall ever be lawful for any one year which shall exceed two and one-half per cent of the taxable property of such city and no debt shall ever be created by any city

unless at the same time provision be made to assess and collect annually a sufficient sum to pay the interest thereon and creating a sinking fund of at least two per cent thereon * * * (art. XI, sec. 5; amended).

(c) All property of railroads within the limits of an incorporated city or town shall bear its share of municipal taxation:

All property of railroad companies, of whatever description, lying or being within the limits of any city or incorporated town within this State, shall bear its proportionate share of municipal taxation, and if any such property shall not have been heretofore rendered, the authorities of the city or town within which it lies, shall have power to require its rendition, and collect the usual municipal tax thereon, as on other property lying within said municipality (VIII, sec. 5).

(d) For limit of rate on property values, see paragraph C-1-h.

(e) Cities may levy a tax to provide for a sinking fund. (See par. C-1-g-(2).)

(f) Cities on the Gulf of Mexico may levy tax for sea walls and breakwaters and for sanitary purposes. (See par. C-1-d.)

(g) A city or town may constitute a separate school district and levy a tax for support and maintenance of a public institution of learning. (See par. E-1-c.)

E. SPECIFIC PROVISIONS (SCHOOL DISTRICTS)

1. PROPERTY TAXES

(a) Laws may be passed for the assessment and collection of taxes in school districts:

* * * and the Legislature may authorize an additional ad valorem tax to be levied and collected within all school districts * * * for the further maintenance of public free schools, and for the erection and equipment of school buildings therein; provided that a majority of the qualified property taxpaying voters of the district * * * shall vote such tax not to exceed in any one year one (\$1.00) dollar on the one hundred dollars valuation of the property subject to taxation in such district, but the limitation upon the amount of school district tax herein authorized shall not apply to incorporated cities or towns constituting separate and independent school districts, nor to independent or common school districts created by general or special law (art. VII, sec. 3).

(b) School districts are authorized to levy ad valorem taxes to provide a sinking fund for the retirement of bonds:

Every school district heretofore formed, whether formed under or by special act, and whether the territory embraced within its boundaries lies wholly within a single county or partly in two or more counties, is hereby declared to be, and from its formation to have been, a valid and lawful district.

* * * Each such district is hereby authorized to, and shall annually levy and collect an ad valorem tax sufficient to pay the interest on all such bonds and to provide a sinking fund sufficient to redeem the same at maturity, not to exceed such a rate as may be provided by law under other provisions of this Constitution * * * (art. VII, sec. 3a).

(c) A city or town may constitute a separate school district:

The Legislature may constitute any city or town a separate and independent school district. And when the citizens of any city or town have a charter, authorizing the city authorities to levy and collect a tax for the support and maintenance of a public institution of learning, such tax may hereafter be levied and collected, if at an election, held for that purpose, two thirds of the taxpayers of such city or town shall vote for such tax (art. XI, sec. 10).

UTAH

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1895, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative power is vested in the Legislature, and the legal voters of the State or fractional parts or subdivisions thereof have power with respect to initiative and referendum (art VI, sec. 1).

(b) The Legislature shall levy an annual tax for State purposes and to pay the State debt:

* * * The Legislature shall provide by law for an annual tax sufficient, with other sources of revenue, to defray the estimated ordinary expenses of the State for each fiscal year. For the purpose of paying the State debt, if any there be, the Legislature shall provide for levying a tax annually, sufficient to pay the annual interest and to pay the principal of such debt, within twenty years from the final passage of the law creating the debt (art. XIII, sec. 2; amended 1936).

2. LEGISLATIVE LIMITATIONS

(a) Special or private laws are prohibited in the following cases: Assessing and collecting taxes; changing the law of descent or succession; regulating county and township affairs; incorporating cities, towns, or villages; and granting to an individual, association or corporation any special privileges, immunity, or franchise * * * (art. VI, sec. 26).

(b) All laws of a general nature shall have uniform operation (art. I, sec. 24).

3. WIFE'S SEPARATE ESTATE

Real and personal estate of every female, acquired before marriage, and all property to which she may afterwards become entitled by purchase, gift, grant, inheritance, or devise, shall be and remain the estate and property of such female, and shall not be liable for the debts, obligations, or engagements of her husband, and may be conveyed, devised, or bequeathed by her as if she were unmarried (art. XXII, sec. 2).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—(1) A uniform and equal rate of assessment and taxation on property is required according to its value in money:

The Legislature shall provide by law a uniform and equal rate of assessment and taxation on all tangible property in the State, according to its value in money and shall prescribe by law such regulations as shall secure a just valuation for taxation of such property, so that every person and corporation shall pay a tax in proportion to the value of his, her, or its tangible property, provided that the Legislature may determine the manner and extent of taxing transient live stock and live stock being fed for slaughter to be used for human consumption. Intangible property may be exempted from taxation as property or it may be taxed in such manner and to such extent as the Legislature may

provide. Provided that if intangible property be taxed as property the rate thereof shall not exceed five mills on each dollar of valuation. When exempted from taxation as property, the taxable income therefrom shall be taxed under any tax based on incomes, but when taxed by the State of Utah as property, the income therefrom shall not also be taxed. The Legislature may provide for deductions, exemptions, and/or offsets on any tax based upon income. The personal income tax rates shall be graduated but the maximum rate shall not exceed six per cent of net income. No excise tax rate based upon income shall exceed four per cent of net income. The rate limitations herein contained for taxes based on income and for taxes on intangible property shall be effective until January 1, 1937, and thereafter until changed by law by a vote of the majority of the members elected to each house of the Legislature. * * * (Remainder of the section allocates revenue) (art. XIII, sec. 3; amended).

(2) All tangible property shall be taxed according to its value:

All tangible property in the State, not exempt under the laws of the United States, or under this Constitution, shall be taxed in proportion to its value, to be ascertained as provided by law * * * (art. XIII, sec. 2, amended 1936).

(3) A State tax commission and county equalization boards are provided for—

* * * The State Tax Commission shall administer and supervise the tax laws of the State. It shall assess mines and public utilities and adjust and equalize the valuation and assessment of property among the several counties. It shall have such other powers of original assessment as the Legislature may provide. * * * revise the tax levies and budgets of local governmental units, and equalize the assessment and valuation of property within the counties. The duties imposed upon the State Board of Equalization by the Constitution and laws of this State shall be performed by the State Tax Commission.

In each county of this State there shall be a county board of equalization consisting of the Board of County Commissioners of said county. The County Boards of Equalization shall adjust and equalize the valuation and assessment of the real and personal property within their respective counties, subject to such regulation and control by the State Tax Commission as may be prescribed by law * * * (art. XIII, sec. 11, as amended Nov. 4, 1930).

(4) Nonresidents to be taxed as residents:

* * * The lands belonging to citizens of the United States residing without this State shall never be taxed at a higher rate than the lands belonging to residents of this State * * * (art. III, Ordinance Part Second).

(b) *Corporate property.*—Imposition of property taxes for State, county, school, and municipal purposes:

All corporations or persons in this State, or doing business herein, shall be subject to taxation for State, county, school, municipal or other purposes, on the real and personal property owned or used by them within the territorial limits of the authority levying the tax (art. XIII, sec. 10).

(c) *Taxation of mines and mining property.*—

All metalliferous mines or mining claims, both placer and rock in place, shall be assessed as the Legislature shall provide: *Provided*, the basis and multiple now used in determining the value of metalliferous mines for taxation purposes and the additional assessed value of \$5.00 per acre thereof shall not be changed before January 1, 1935, nor thereafter until otherwise provided by law. All other mines or mining claims and other valuable mineral deposits, including lands containing coal or hydrocarbons and all machinery used in mining and all property or surface improvements upon or appurtenant to mines or mining claims, and the value of any surface use made of mining claims, or mining property for other than mining purposes, shall be assessed as other tangible property (art. XIII, sec. 4, as amended 1930).

(d) *Rate limitation.*—(1) Tangible property:

The rate of taxation on tangible property shall not exceed on each dollar of valuation, two and four-tenths mills for general State purposes, two-tenths

of one mill for high school purposes, which shall constitute the high school fund; said fund shall be apportioned in the manner the legislature shall provide, to the school districts maintaining high schools, and such levy for district school purposes which together with the interest on the permanent school fund and such other funds as may be available for district school purposes, will raise annually an amount which equals \$25.00 for each person of school age in the state as shown by the last preceding school census; the same to be distributed among the school districts according to the last preceding school census; and in addition an equalization fund which when added to other revenues provided for this purpose by the legislature shall be \$5.00 for each person of school age as shown by the last preceding school census; said equalization fund shall be apportioned to the school districts in such manner as the legislature shall provide. Said rates shall not be increased unless a proposition to increase the same specifying the rate or rates proposed and the time during which the same shall be levied, be first submitted to a vote of such of the qualified electors of the State, as in the year next preceding such election, shall have paid a property tax assessed to them within the state, and the majority of those voting thereon shall vote in favor thereof, in such manner as may be provided by law (art. XIII, sec. 7, as amended 1930).

(2) Intangible property: The rate on intangible property shall not exceed 5 mills on each dollar valuation (art. XIII, sec. 2; see par. B-1-a).

(c) *Exempt property.*—

The property of the United States, of the State, counties, cities, towns, school districts, municipal corporations and public libraries, lots with the buildings thereon used exclusively for either religious worship or charitable purposes, and places of burial not held or used for private or corporate benefit, shall be exempt from taxation. Water rights, ditches, canals, reservoirs, power plants, pumping plants, transmission lines, pipes, and flumes owned and used by individuals or corporations, or the individual members thereof, shall not be separately taxed as long as they shall be owned and used exclusively for such purposes. Power plants, power transmission lines, and other property used for generating and delivering electrical power, a portion of which is used for furnishing power for pumping water for irrigation purposes on lands in the State of Utah, may be exempted from taxation to the extent that such property is used for such purposes. These exemptions shall accrue to the benefit of the users of water so pumped under such regulations as the legislature may prescribe. The taxes of the indigent poor may be remitted or abated at such times and in such manner as may be provided by law. The legislature may provide for the exemption from taxation of homes, homesteads, and personal property not to exceed \$2,000 in value for homes and homesteads, and \$300 for personal property. Property not to exceed \$3,000 in value, owned by disabled persons who served in any way in the military service of the United States or of the State of Utah and by the unmarried widows and minor orphans of such persons may be exempted as the legislature may provide * * * (art. XIII, sec. 2, as amended 1936).

2. INCOME TAXES

Nothing in this Constitution shall be construed to prevent the Legislature from providing a stamp tax, or a tax based on income, occupation, licenses, or franchises (art. XIII, sec. 12, as amended 1906; also art. XIII, sec. 3).

3. DEATH TAXES

An estate tax is imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed (art. XIII, sec. 12, as amended 1906, quoted in par. B-2 above; see also art. 1, sec. 23).

5. LICENSE TAXES

License taxes are imposed by the State and municipalities (art. XIII, sec. 12, as amended, 1906, as quoted in par. B-2 above).

6. POLL TAXES

An annual poll tax of \$2 is imposed for public road purposes.

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) The legislature may vest the corporate authorities of counties and municipal corporations with power to tax:

The Legislature shall not impose taxes for the purpose of any county, city, town, or other municipal corporation, but may, by law, vest in the corporate authorities thereof, respectively, the power to assess and collect taxes for all purposes of such corporation (art. XIII, sec. 5).

(b) The counties and school districts are recognized as legal subdivisions of the State. A system of uniform county government is required to be established to provide for precinct and township organization (art. XI, secs. 1 and 4).

(c) By an amendment to the constitution (1930), a county board of equalization was provided to adjust and equalize valuations and assessments of property within the respective counties (see par. B-1-a).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(a) The corporate authorities of municipalities may be vested with power to impose taxes for local purposes (art. XIII, sec. 5; see par. C-1-a). But municipal powers may not be delegated to any commission, private corporation, or association (art. VI, sec. 29).

(b) Municipal corporations are authorized to frame or adopt a charter for their own government, giving them authority to levy and collect taxes, including special assessments for benefits conferred, and to grant local public utility franchises (art. XI, sec. 5, as amended 1932).

2. ORGANIZATION

Municipal corporations shall be established by general laws, which shall provide for the classification of cities and towns in proportion to population:

Corporations for municipal purposes shall not be created by special laws; the Legislature, by general laws, shall provide for the incorporation, organization, and classification of cities and towns in proportion to population; which laws may be altered, amended, or repealed (art. XI, sec. 5).

VERMONT

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1793, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The supreme legislative power of the State shall be exercised by the general assembly (ch. II, secs. 2 and 6).

(b) The powers of the general assembly are as follows:

* * * They may prepare bills and enact them into laws, redress grievances, grant charters of incorporation, subject to the provisions of section 65, constitute towns, boroughs, cities, and counties; and they shall have all other powers necessary for the Legislature of a free and sovereign State; but they shall have no power to add to, alter, abolish, or infringe any part of this Constitution (ch. 2, sec. 6).

2. LEGISLATIVE LIMITATIONS

(a) Business corporations may only be organized under general laws:

No charter of incorporation shall be granted, extended, changed, or amended by special law, except for such municipal, charitable, educational, penal, or reformatory corporations as are to be and remain under the patronage or control of the State; but the General Assembly shall provide by general laws for the organization of all corporations hereafter to be created. All general laws passed pursuant to this section may be altered from time to time or repealed (ch. II, sec. 65, amended 1913).

(b) Legislation conferring special privileges or advantages is condemned:

That government is, or ought to be, instituted for the common benefit, protection, and security of the people, nation, or community, and not for the particular emolument or advantage of any single man, family, or set of men, who are a part only of that community; * * * (ch. I, art. 7).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—Every citizen is required to contribute his proportion to the expense of the protection of his constitutional rights:

That every member of society hath a right to be protected in the enjoyment of life, liberty, and property, and therefore, is bound to contribute his proportion towards the expense of that protection, and yield his personal service when necessary, or an equivalent thereto, * * * (ch. I, art. 9).

NOTE.—There is no constitutional provision specifically requiring uniformity and equality of taxation. Various expressions throughout the Constitution, however, indicate it was intended the people of the State should be equally and justly dealt with. Moreover, from expressions of the state courts, it appears to be recognized that taxation should be uniform or equal as nearly as may be practical; that any discriminations should be reasonable, not an unjust insidious discrimination in favor of some to the prejudice of others. In one case, the Court says: * * * "the expenses of government shall be apportioned equally and not merely that exactions levied upon property shall be equal." And

further it is held that the proportional contribution referred to in Article 9, for support of the government "was not intended to restrict the State as to methods of taxation that operate equally upon all its inhabitants, regardless of the variety and measure of advantages derived from its protection and regulation."

(b) *Requirements as to procedure in imposing State taxes.*—(1) The purpose for which any tax is to be levied ought to appear evident:

* * * and previous to any law being made to raise a tax, the purpose for which it is to be raised ought to appear evident to the Legislature to be of more service to community than the money would be if not collected (ch. I, art. 9).

(2) Two-thirds of the number of representatives elected are required as a quorum for the consideration of the question of raising any State tax:

The Representatives so chosen (a majority of whom shall constitute a quorum for transacting any other business than raising a State tax, for which two-thirds of the members elected shall be present) shall meet as required by section 7, and shall be styled in the House of Representatives: * * * (ch. II, sec. 14).

(c) *Exemptions.*—There is no specific Constitutional provision as to exemptions.

2. INCOME TAXES

Income taxes are imposed.

3. DEATH TAXES

Both inheritance and estate taxes are imposed.

4. FRANCHISES

Franchise taxes are imposed.

5. LICENSE TAXES

License taxes are imposed by the State and municipalities.

6. POLL TAXES

• Poll taxes are imposed, collectible in the town of residence.

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) The authority of the legislature to delegate powers to counties and municipalities is recognized:

The power of suspending laws, or the execution of laws, ought never to be exercised but by the Legislature, or by authority derived from it, to be exercised in such particular cases as this constitution, or the Legislature shall provide for (ch. I, art. 15; see also par. A-1-b).

(b) *School taxes.*—

A competent number of schools ought to be maintained in each town * * * and one or more grammar schools to be incorporated and properly supported in each county * * * (ch. II, sec. 64).

D. SPECIFIC PROVISIONS (MUNICIPALITIES AND TOWNS)

1. The remarks in paragraph C as to counties apply to municipalities as well.

2. Under the Vermont system, towns, including villages and districts, are still units of taxation.

VIRGINIA

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1902, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative power is vested in a general assembly (art. IV, sec. 40).

(b) The authority of the general assembly extends to all subjects of legislation not forbidden by the constitution:

The authority of the General Assembly shall extend to all subjects of legislation, not herein forbidden or restricted; and a specific grant of authority in this Constitution upon a subject shall not work a restriction of its authority upon the same or any other subject. The omission in this Constitution of specific grants of authority heretofore conferred shall not be construed to deprive the General Assembly of such authority, or to indicate a change of policy in reference thereto, unless such purpose plainly appear (art. IV, sec. 63).

2. LEGISLATIVE LIMITATIONS

The legislature shall not enact local, special, or private laws in the following cases: For the assessment and collection of taxes, except as to animals which the general assembly may deem dangerous to the farming interests; exempting property from taxation; creating private corporations, or amending, renewing, or extending the charters thereof; and granting to any private corporation, association, or individual any special or exclusive right, privilege, or immunity (art. IV, sec. 63).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—(1) All property to be taxed; taxes to be uniform upon the same class of subjects. Taxable subjects may be defined and classified except as to classes expressly segregated in the constitution. The general assembly may segregate and specify upon what subjects State taxes and local taxes may be levied:

All property, except as hereinafter provided, shall be taxed; all taxes, whether State, local, or municipal, shall be uniform upon the same class of subjects within the territorial limits of the authority levying the tax, and shall be levied and collected under general laws. The General Assembly may define and classify taxable subjects, and, except as to classes of property herein expressly segregated for either State or local taxation, the General Assembly may segregate the several classes of property so as to specify and determine upon what subjects State taxes and upon what subjects local taxes may be levied (art. XIII, sec. 168).

(2) Real and personal property shall be assessed at its fair market value. Where the State levies upon a public service corporation a franchise, license, or other tax measured by its gross earnings, its real estate and tangible personal property shall be assessed by the State:

Except as hereafter provided, all assessments of real estate and tangible personal property shall be at their fair market value, to be ascertained as prescribed by law. So long as the State shall levy upon any public service corporation, other than a railway or a canal corporation, a State franchise, license, or other tax, based upon or measured by its gross receipts, or gross earnings, or any part thereof, its real estate and tangible personal property shall be assessed by the State Corporation Commission, or other central State agency, in the manner prescribed by law * * * (art. XIII, sec. 169).

(b) *Real estate and tangible personal property.*—

No State property tax for State purposes shall be levied on real estate or personal property except the rolling stock of public service corporations.

Real estate and tangible personal property, except the rolling stock of public service corporations, are hereby segregated for, and made subject to, local taxation only, and shall be assessed or reassessed for local taxation in such manner and at such times as the general assembly has heretofore prescribed, or may hereafter prescribe by general laws (sec. 171, amended).

(c) Franchise taxes in certain cases may be imposed in lieu of taxes upon other property (sec. 170, amended; see par. B-4).

(d) *Corporations and corporate property.*—(1) No law shall suspend the right of the State or any political subdivision to tax corporations and corporate property:

* * * No general or special law shall surrender or suspend the right and power of the State, or any political subdivision thereof, to tax corporations and corporate property, except as authorized by article thirteen. No private corporation, association, or individual shall be specially exempted from the operation of any general law, nor shall its operation be suspended for the benefit of any private corporation, association, or individual (art. IV, sec. 64).

(2) Creation and supervision of corporations: Corporations shall be created by general laws (art. XII, sec. 154). A State Corporation Commission is provided for (sec. 155) through which shall be issued all charters for domestic and all licenses for foreign corporations (sec. 156). The commission's duties and powers are set out at length. The commission, however, may not impair the right of cities, towns, or counties to exercise legislative authority given them with regard to public service corporations under a county or municipal franchise (sec. 156). Fees are required to be paid the State upon the granting or amending of a charter for a domestic corporation, or a license to a foreign corporation to do business in the State (sec. 157). The legislature shall have the power to discriminate against foreign corporations if it deems it wise or expedient so to do (sec. 163).

(3) Railroad and canal corporations: Property of railroad and canal companies (except franchise and nontaxable shares of stock) shall be ascertained by the corporation commission and taxed for State, county, municipal, and district purposes at the same rates imposed upon the real and personal property of natural persons:

The State Corporation Commission shall annually ascertain and assess, in the manner prescribed by law, the value of the roadbed and other real estate, rolling stock, and all other personal property whatsoever (except its franchise and the non-taxable shares of stock issued by other corporations) in this State, of each railway corporation, whatever its motive power, now or hereafter liable for taxation upon such property; the canal bed and other real estate, the boats and all other personal property whatsoever (except its franchise and the non-taxable shares of stock issued by other corporations) in

this State, of each canal corporation, empowered to conduct transportation; and subject to such segregation of property, if any, as is provided in section one hundred and seventy-one of this Constitution, such property shall be taxed for State, county, city, town, and district purposes in the manner prescribed by law, at such rates of taxation as may be imposed by them, respectively, from time to time, upon the real estate and personal property of natural persons (art. XIII, sec. 176).

(4) A franchise tax upon gross receipts may be in lieu of certain other taxes:

Every such railway or canal corporation shall also pay an annual State franchise tax to be prescribed by law, upon the gross receipts * * *, which, with the property taxes provided for * * *, shall be in lieu of all other taxes or license charges whatsoever upon the franchise of such corporation, * * * *provided*, that nothing herein contained shall exempt such corporation from the annual fee required by section one hundred and fifty-seven of this Constitution, or from assessments for street and other public local improvements * * *: and, provided, further, that nothing herein contained shall annul or interfere with or prevent any contract or agreement by ordinance between street railway corporations and municipalities, as to compensation for the use of the streets or alleys of such municipalities by such railway corporations (art. XIII, sec. 177).

The amount of such franchise tax shall be equal to such per centum of the gross transportation receipts of such corporation for the year preceding the year for which the tax is levied, or the year for which the tax is levied, as may be prescribed by law, * * * (art. XIII, sec. 178).

(5) The legislature is given constitutional authority to change the present system of taxation for railroad and canal companies:

* * * the General Assembly shall have power to change the system of taxation as to the corporations therein mentioned to be administered by the State Corporation Commission, or other central State agency. If the said system of taxation shall, for any reason become inoperative the General Assembly shall have power to prescribe some other system in lieu thereof, and to provide how and by what agencies it shall be administered (art. XIII, sec. 181).

(e) *Exemptions.*—The property named herein shall be exempt from State and local taxation, including inheritance taxes:

Unless otherwise provided in this Constitution, the following property and no other shall be exempt from taxation, State and local, including inheritance taxes:

(a) Property owned directly or indirectly by the United States, the Commonwealth or any political subdivision thereof, and obligations of the Commonwealth * * *.

(b) Buildings with land they actually occupy, and the furniture and furnishings therein and endowment funds * * * owned * * * by churches or religious bodies, and wholly * * * used for religious worship, or for the residence of the minister of any such church or religious body, together with the additional adjacent land reasonably necessary for the convenient use of any such building.

(c) Private or public burying grounds or cemeteries and endowment funds, lawfully held, for their care, provided the same are not operated for profit.

(d) Property owned by public libraries, incorporated colleges or other incorporated institutions of learning, not conducted for profit, together with the endowment funds thereof not invested in real estate. But this provision shall apply only to property primarily used for literary, scientific, or educational purpose or purposes incidental thereto. It shall not apply to industrial schools which sell their product to other than their own employees or students.

(e) Real estate belonging to, actually and exclusively occupied and used by, and personal property, including endowment funds, belonging to Young Men's Christian Associations, and other similar religious associations, orphan or other asylums, reformatories, hospitals and nunneries, conducted not for profit, but exclusively as charities, also parks or playgrounds held by trustees for the perpetual use of the general public.

(f) Buildings with the land they actually occupy, and the furniture and furnishings therein, belonging to any benevolent or charitable association and

used exclusively for lodge purposes or meeting rooms by such association, together with such additional adjacent land as may be necessary for the convenient use of the building for such purposes; and

(g) Property of the Association for the Preservation of Virginia Antiquities, the Confederate Memorial Literary Society, the Mount Vernon Ladies' Association of the Union, the Virginia Historical Society, the Thomas Jefferson Memorial Foundation, Incorporated, the posts of the American Legion, and such other similar organizations or societies as may be prescribed by law.

* * * * *

Obligations issued by counties, cities, or towns may be exempted by the authorities of such localities from local taxation (art. XIII, sec. 183).

2. INCOME TAXES

The general assembly may levy a tax on incomes in excess of six hundred dollars per annum; * * * (sec. 170; Amended).

3. DEATH TAXES

An inheritance tax is imposed, as is an estate tax, where it is greater than the aggregate of the inheritance taxes.

4. FRANCHISE TAXES

Franchise taxes may be imposed in certain cases in lieu of property taxes and of taxes imposed on shares of stock in corporations:

* * * and may impose state franchise taxes, and in imposing a franchise tax may, in its discretion, make the same in lieu of taxes upon other property, in whole or in part, of a transportation, industrial, or commercial, corporation. Whenever a franchise tax shall be imposed upon a corporation doing business in this state, or whenever all the capital, however invested, of a corporation chartered under the laws of this state, shall be taxed, the shares of stock issued by any such corporation shall not be further taxed * * * (sec. 170, amended; see also par. B-d. (4)).

5. LICENSE TAXES

A license tax is authorized upon any business which cannot be reached for ad valorem taxes:

* * * may levy a license tax upon any business which can not be reached by the ad valorem system; * * * (sec. 170).

6. POLL TAXES

(a) A State capitation tax, not to exceed \$1.50 per annum, is required to be levied. Counties and municipalities may be authorized to levy an additional tax not to exceed \$1 per annum (art. XIII, sec. 173).

(b) Payment of State poll tax is required to qualify electors:

* * * First. That he has personally paid to the proper officer all State and poll taxes legally assessed or assessable against him for the three years next preceding that in which he offers to register; or, if he come of age at such time that no poll tax shall have been assessable against him for the year preceding the year in which he offers to register, has paid one dollar and fifty cents, in satisfaction of the first year's poll tax assessable against him; * * * (art. II, sec. 20).

(c) Exemption from payment of poll tax is provided for veterans of the Civil War and their wives or widows:

No person, nor the wife or widow of such person, who, during the late war between the States, served in the army or navy of the United States, or of the

Confederate States, or of any State of the United States, or of the Confederate States, shall at any time be required to pay a poll tax as a prerequisite to the right to register or vote. The collection of the State poll tax assessed against anyone shall not be enforced by legal process until the same has become three years past due (art. II, sec. 22).

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) County boards of supervisors and city councils may be given powers of local and special legislation:

The General Assembly may, by general laws, confer upon the boards of supervisors of counties, and the councils of cities and towns, such powers of local and special legislation as it may, from time to time, deem expedient, not inconsistent with the limitations contained in this Constitution (art. IV, sec. 65).

(b) Magisterial districts are provided for in the several counties, and the supervisors thereof shall constitute the county boards of supervisors, who shall levy county and district levies:

* * * The supervisors of the districts shall constitute the board of supervisors of the county, which shall meet at stated periods, and at other times as often as may be necessary, lay the county and district levies, pass upon all claims against the county, subject to such appeal as may be provided by law, and perform such duties as may be required by law (art. IV, sec. 111).

(c) *School taxes*.—Each county, city, town, and separate school district is authorized to levy a property tax for school purposes:

Each county, city, or town, if the same be a separate school district, and school district is authorized to raise additional sums by a tax on property, subject to local taxation, not to exceed in the aggregate in any one year a rate of levy to be fixed by law, to be apportioned and expended by the local school authorities of said counties, cities, towns, and districts in establishing and maintaining such schools * * * (art. IX, sec. 136).

(d) *Real estate and tangible personal property*.—Real estate and tangible personal property is subject to local taxation only (sec. 171, par. B-1-b).

(e) Corporations and corporate property. (See par. B-1-d.)

(f) *Coal and mineral lands*.—Coal and mineral lands shall be assessed for local taxation as the general assembly may provide:

Coal and other mineral lands shall be assessed or reassessed for local taxation in such manner and at such times as the General Assembly has heretofore prescribed, or may hereafter prescribe by general laws (art. XIII, sec. 172).

(g) *Exemption of manufacturers*.—Counties and municipalities may be authorized to exempt manufacturing establishments from local taxation for a period of 5 years.

The General Assembly may, by general law, authorize the governing bodies of cities, towns, and counties to exempt manufacturing establishments and works of internal improvement from local taxation for a period not exceeding five years, as an inducement to their location (art. XIII, sec. 189).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(a) City councils may be given powers of local and special legislation. (See par. C-1 (a).)

(b) *School taxes*.—Municipalities may levy a tax on property for school purposes. (See par. C-1-c.)

(c) Real estate and tangible personal property is subject to local taxation only. (See par. B-1-b.)

(d) *Land added to corporate limits.*—Taxation may be imposed for a period of years upon lands added to the corporate limits of a municipality at a rate lower than is imposed for similar lands within the corporate limits:

* * * The General Assembly may allow a lower rate of taxation to be imposed for a period of years by a city or town upon land added to its corporate limits, than is imposed on similar property within its limits at the time such land is added (art. XIII, sec. 169).

(e) Coal and mineral lands shall be assessed for purposes of local taxation. (See par. C-1-f.)

(f) *Special assessments.*—Cities and towns may impose taxes on abutting property for certain local improvements:

* * * No city or town shall impose any tax or assessment upon abutting owners for street or other public local improvements, except for making and improving the walkways upon then existing streets; and improving and paving then existing alleys, and for either the construction, or the use of sewers; and the same when imposed, shall not be in excess of the peculiar benefits resulting therefrom to such abutting land owners. Except in cities and towns, no such taxes or assessments, for local public improvement, shall be imposed on abutting land owners (art. 170, amended 1927).

2. EXEMPTIONS

Cities and towns may be authorized to exempt manufacturing establishments from taxation. (See par. C-1-g.)

3. ORGANIZATION OF CITIES AND TOWNS

General laws shall be enacted for the organization and government of cities and towns except under certain conditions specified. The councils thereof exercise legislative authority therein. Special forms of organization and government may be authorized; officers and their duties are prescribed for. Their rights as to granting franchises are set out, and which may be further restricted by the legislature (art. VIII).

WASHINGTON

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1889, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative power of the State is vested in the legislature, the power of initiative and referendum being reserved (art. II, sec. 1; amended 1912).

2. LEGISLATIVE LIMITATIONS

(a) The Legislature is prohibited from enacting private or special laws in the following cases: For assessment or collection of taxes, or for extending the time of collection thereof; for granting cor-

porate powers or privileges; for authorizing the apportionment of any part of the school fund; and for incorporating any town or village or to amend the charter thereof (art. II, sec. 28).

(b) No irrevocable franchise, privilege, or immunity may be granted. Special privileges or immunities are prohibited.

No law granting irrevocably any privilege, franchise, or immunity, shall be passed by the Legislature.

No law shall be passed granting to any citizen, class of citizens, or corporation other than municipal, privileges or immunities which upon the same terms shall not equally belong to all citizens, or corporations (art. I, secs. 8 and 12).

3. PROPERTY RIGHTS OF ALIENS

The ownership of lands in the State by aliens is prohibited, except in certain specified cases:

The ownership of lands by aliens, other than those who in good faith have declared their intention to become citizens of the United States, is prohibited in this State, except where acquired by inheritance, under mortgage or in good faith in the ordinary course of justice in the collection of debts; and all conveyances of lands hereafter made to any alien directly or in trust for such alien shall be void; Provided, That the provisions of this section shall not apply to lands containing valuable deposits of minerals, metals, iron, coal, or fire clay, and the necessary land for mills and machinery to be used in the development thereof and the manufacture of the products therefrom. Every corporation, the majority of the capital stock of which is owned by aliens, shall be considered an alien for the purposes of this prohibition (art. II, sec. 33).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—All taxes shall be uniform upon the same class of property. "Property" includes both tangibles and intangibles. Real estate constitutes one class. Lands devoted to reforestation and mines and mineral lands may be taxed by a yield or ad valorem tax, or both:

The power of taxation shall never be suspended, surrendered or contracted away. All taxes shall be uniform upon the same class of property within the territorial limits levying the tax and shall be levied and collected for public purposes only. The word "property" as used herein shall mean and include every thing, whether tangible or intangible, subject to ownership. All real estate shall constitute one class; Provided, That the Legislature may tax mines and mineral resources and lands devoted to reforestation by either a yield tax or an ad valorem tax at such rate as it may fix, or by both * * * (art. VII, sec. 1, as amended 1930).

(b) *School taxes.*—(1) A common school fund is provided, which shall remain permanent and may not be reduced. The legislature may increase it, however:

* * * The Legislature may make further provisions for enlarging said fund. The interest accruing on said fund, together with all revenue derived therefrom and from lands and other property devoted to the common school fund, shall be exclusively applied to the current use of the common schools (art. IX, sec. 3).

(2) Provision shall be made for systems of public schools, free from sectarian control (art. XXVI, sec. 4).

(c) *Rate limitation.*—

Except as hereinafter provided, the aggregate of all tax levies upon real and personal property by the State, county, school district, road district, and city

or town shall not in any year exceed forty mills on the dollar of assessed valuation, which assessed valuation shall be fifty per cent of the true and fair value of any such property in money; and the levy by the State shall not exceed two mills to be exclusively for the support of the University of Washington, Washington State College, and the Normal Schools of the State; the levy by any county shall not exceed ten mills including the levy for the county school fund, the levy by or for any school district shall not exceed ten mills, the levy for any road district shall not exceed three mills, and the levy by any city or town shall not exceed fifteen mills: Provided, That nothing herein shall limit port district levies otherwise than as provided by existing law, nor limit the power of any county to levy taxes at the rate provided by law for any taxing district other than a school district or road district, where such taxing district includes less than the whole county: Provided, further, That the limitations imposed by this section shall not prevent the levy of additional taxes, not in excess of five mills per annum and without anticipation of delinquencies in payment of taxes, in an amount equal to the interest and principal payable in the next succeeding year on general obligation bonds, outstanding at the time of the taking effect of this act, issued by or through the agency of the State, or any county, city, town, or school district, nor the levy of additional taxes to pay interest on or towards the reduction at the rate provided by statute, of the principal of county, city, town, or school district warrants outstanding on December 8, 1932; but the millage limitation of this proviso with respect to general obligation bonds shall not apply to any taxing district in which a larger levy is necessary in order to prevent the impairment of the obligation of contracts: Provided, further, That any county, school district, road district, city, or town shall have the power to levy taxes at a rate in excess of the rate specified in this act, when authorized so to do by the electors of such county, school district, city or town by a three-fifths majority of those voting on the proposition at a special election to be held in the year in which the levy is made, and not oftener than once in such, in the manner provided by law for holding elections * * * (Initiative measure adopted Nov. 3, 1936).

(d) *Exemptions.*—(1) The legislature may exempt property from taxation by general laws. Property of the United States, the State, and all political divisions thereof, credits secured by property actually taxed in the State, not exceeding the value of such property, shall be, and personal property to the amount of \$300 for each head of a family, may be, exempted from taxation (art. VII, sec. 1).

(2) The legislature shall protect by law from forced sale a certain portion of the homestead and other property of all heads of families (art. XIX, sec. 1).

2. INCOME TAXES

No income tax is imposed.

3. DEATH TAXES

An inheritance and an estate tax are imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed.

5. LICENSE TAXES

License taxes are imposed by the State and municipalities.

6. POLL TAXES

Poll taxes are imposed.

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

(a) The legislature may not impose taxes upon counties, cities, towns, or other municipal corporations for local purposes but may vest the corporate authorities thereof with authority so to do:

The Legislature shall have no power to impose taxes upon counties, cities, towns, or other municipal corporations, or upon the inhabitants or property thereof, for county, city, town, or other municipal purposes, but may, by general laws, vest in the corporate authorities thereof, the power to assess and collect taxes for such purposes (art. XI, sec. 12).

(b) *Rate limitation*.—(See par. B-1-c.)

2. COUNTY GOVERNMENT

The legislature is required to establish a uniform system of county government and may provide for township organization. In such cases, assessment and collection of revenue, and the county business and local affairs of the townships shall be provided for by general laws (art. XI, sec. 4).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(a) Municipal corporations may be vested with taxing power for corporate purposes (par. C-1-a) and for local improvements by special assessment or special taxation of property benefited:

The Legislature may vest the corporate authorities of cities, towns, and villages with power to make local improvements by special assessment, or by special taxation of property benefited. For all corporate purposes, all municipal corporations may be vested with authority to assess and collect taxes and such taxes shall be uniform in respect to persons and property within the jurisdiction of the body levying the same (art. VII, sec. 9).

(b) *Rate limitation*.—(See par. B-1-c.)

2. ORGANIZATION OF MUNICIPALITIES

The legislature shall provide for organization and classification of municipalities in proportion to population by general law. Those of 20,000 or more inhabitants may frame a charter for their own government (art. XI, sec. 10).

WEST VIRGINIA

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1872, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative power of the State is vested in the senate and house of delegates (art. VI, sec. 1).

(b) Power as to taxation.—(1):

The power of taxation of the Legislature shall extend to provisions for the payment of the State debt, and interest thereon, the support of free schools, and the payment of the annual estimated expenses of the State; but whenever any deficiency in the revenue shall exist in any year, it shall, at the regular session thereof held next after the deficiency occurs levy a tax for the ensuing year, sufficient with other sources of income to meet such deficiency, as well as the estimated expenses of such year (art. X, sec. 5).

(2) Authority to tax privileges, franchises, and incomes:

The legislature shall have authority to tax privileges, franchises, and incomes of persons and corporations and to classify and graduate the tax on all incomes according to the amount thereof and to exempt from taxation, incomes below a minimum to be fixed from time to time, and such revenues as may be derived from such tax may be appropriated as the legislature may provide * * * (art. X, sec. 1; amended).

2. LEGISLATIVE LIMITATIONS

Local or special laws may not be passed regulating or changing county or district affairs or incorporating cities, towns, or villages or changing the laws of descent; and in no case shall a special act be passed where a general law would be proper and can be made applicable (art VI, sec. 39; see par. D-2).

3. WIFE'S SEPARATE ESTATE

The Legislature shall pass such laws as may be necessary to protect the property of married women from the debts, liabilities, and control of their husbands (art. VI, sec. 49).

4. RESIDENT ALIENS

No distinction shall be made between resident aliens and citizens, as to the acquisition, tenure, disposition or descent of property (art. II, sec. 5).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) Uniformity and valuation.—Subject to exceptions named, taxation is required to be uniform on taxable property in proportion to its value. Classification of property is authorized:

Subject to the exceptions in this section contained, taxation shall be equal and uniform throughout the State, and all property, both real and personal, shall be taxed in proportion to its value to be ascertained as directed by law. No one species of property from which a tax may be collected shall be taxed higher than other species of property of equal value * * * (art. X, sec. 1, as amended 1932).

(b) Highway bond tax.—By amendment to the constitution in 1920, a bond issue not to exceed \$50,000,000 for a system of State highways was authorized. In 1928 another amendment authorized an additional bond issue of \$15,000,000. In each case, a tax is required to be levied for the retirement of the bonds.

(c) Rate limitations.—

* * * except that the aggregate of taxes assessed in any one year upon personal property employed exclusively in agriculture, including horticulture and grazing, products of agriculture as above defined, including live stock,

while owned by the producer, and money, notes, bonds, bills and accounts receivable, stocks and other similar intangible personal property shall not exceed fifty cents on each one hundred dollars of value thereon and upon all property owned, used, and occupied by the owner thereof exclusively for residential purposes and upon farms occupied and cultivated by their owners or bona fide tenants one dollar; and upon all other property situated outside of municipalities, one dollar and fifty cents; and upon all other such property situated within municipalities, two dollars; and the legislature shall further provide by general law, for increasing the maximum rates, authorized to be fixed, by the different levying bodies upon all classes of property, by submitting the question to the voters of the taxing units affected, but no increase shall be effective unless at least sixty per cent of the qualified voters shall favor such increase, and such increase shall not continue for a longer period than three years at any one time, and shall never exceed by more than fifty per cent the maximum rate herein provided and prescribed by law; and the revenue derived from this source shall be apportioned by the legislature among the levying units of the State in proportion to the levy laid in said units upon real and other personal property. * * * After the year 1933, the rate of State tax upon property shall not exceed one cent upon the hundred dollars valuation, except to pay the principal and interest of bonded indebtedness of the State now existing (art. X, sec. 1, amended 1932).

(d) Exemptions.—(1) General:

* * * but property used for educational, literary, scientific, religious, or charitable purposes, all cemeteries, public property, the personal property, including live stock, employed exclusively in agriculture as above defined and the products of agriculture as so defined while owned by the producers may by law be exempted from taxation; household goods to the value of two hundred dollars shall be exempted from taxation (art. X, sec. 1, amended).

(2) Homesteads:

Any husband or parent, residing in this State, or the infant children of deceased parents, may hold a homestead of the value of one thousand dollars, and personal property to the value of two hundred dollars, exempt from forced sale subject to such regulations as shall be prescribed by law. Provided, That such homestead exemption shall in no wise affect debts or liabilities existing at the time of the adoption of this Constitution: and Provided further, That no property shall be exempt from sale for taxes due thereon, or for the payment of purchase money due upon said property, or for debts contracted for the erection of improvements thereon (art. VI, sec 48).

2. INCOME TAXES

An income tax is imposed (art. X, sec. 1; see par. A-1-b-(2).)

3. DEATH TAXES

An inheritance and an estate tax is imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed (See par. A-1-b-(2).)

5. LICENSE TAXES

License taxes are imposed. (See par. A-1-b-(2).)

6. POLL TAXES

An annual poll tax of \$1 is provided for:

The Legislature shall levy an annual capitation tax of one dollar upon each male inhabitant of the State who has attained the age of twenty-one years, which shall be annually appropriated to the support of free schools. Persons afflicted with bodily infirmity may be exempted from this tax (art. X, sec. 2).

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

Rate limitation.—

County authorities shall never assess taxes, in any one year, the aggregate of which shall exceed ninety-five cents per one hundred dollars' valuation; except for the support of free schools; payment of indebtedness existing at the time of the adoption of this Constitution, and for the payment of any indebtedness with the interest thereon, created under the succeeding section, unless such assessment, with all questions involving the increase of such aggregate shall have been submitted to the vote of the people of the county and have received three-fifths of all the votes cast for and against it (art. X, sec. 7; see also art. X, sec. 1, par. B-1-c).

2. COUNTY ORGANIZATION

County organization is provided for (art. IX).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

Cities, towns, and villages may be authorized to assess taxes for corporate purposes, such taxes to be uniform with respect to persons and property:

The Legislature may, by law, authorize the corporate authorities of cities, towns, and villages, for corporate purposes, to assess and collect taxes; but such taxes shall be uniform with respect to persons and property within the jurisdiction of the authority imposing the same (art. X, sec. 9).

2. CLASSIFICATION OF MUNICIPALITIES AND HOME RULE

No local or special law shall hereafter be passed incorporating cities, towns, or villages or amending their charters. The legislature shall provide by general laws for the incorporation and government of cities, towns, and villages and shall classify such municipal corporations, upon the basis of population, into not less than two nor more than five classes. Such general laws shall restrict the powers of such cities, towns, and villages to borrow money and contract debts, and shall limit the rate of taxes for municipal purposes, in accordance with section one, article ten, of the constitution of the State of West Virginia. Under such general laws, the electors of each municipal corporation, wherein the population exceeds two thousand, shall have power and authority to frame, adopt, and amend the charter of such corporation, or to amend an existing charter thereof, and, through its legally constituted authority, may pass all laws and ordinances relating to its municipal affairs, provided that any such charter or amendment thereto, and any such law or ordinance so adopted shall be invalid and void if inconsistent or in conflict with this constitution, or the general laws of the State then in effect, or thereafter from time to time enacted (art. VI, amended 1935 by adding a new section).

WISCONSIN

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1848, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

(a) The legislative power is vested in a senate and assembly (art. IV, sec. 1).

(b) The legislature shall provide for an annual tax for the expenses of the State:

The Legislature shall provide for an annual tax sufficient to defray the estimated expenses of the State for each year; and whenever the expenses of any year shall exceed the income, the Legislature shall provide for levying a tax for the ensuing year, sufficient, with other sources of income, to pay the deficiency as well as the estimated expenses of such ensuing year (art. VIII, sec. 5).

(c) A tax is imposed on civil suits in municipal, inferior or circuit courts:

The legislature shall impose a tax on all civil suits commenced or prosecuted in the municipal, inferior, or circuit courts, which shall constitute a fund to be applied toward the payment of the salary of judges (art. VII, sec. 18).

2. LEGISLATIVE LIMITATIONS

(a) Enactment of special or private laws prohibited in certain cases:

The legislature is prohibited from enacting any special or private laws in the following cases: * * * 6th. For assessment or collection of taxes or for extending the time for the collection thereof. 7th. For granting corporate powers or privileges, except to cities. * * * 9th. For incorporating any city, town, or village, or to amend the charter thereof (art. IV, sec. 31).

(b) *Corporations.*—

Corporations without banking powers or privileges may be formed under general laws, but shall not be created by special act, except for municipal purposes * * * (art. XI, sec. 1).

3. PROPERTY RIGHTS OF RESIDENT ALIENS

Equal property rights are guaranteed to resident aliens and citizens.

No distinction shall ever be made by law between resident aliens and citizens, in reference to the possession, enjoyment, or descent of property (art. I, sec. 15).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation.*—Taxation shall be uniform: Taxes may be levied upon property classified as to forest and mineral lands; a severance tax thereon may be imposed. Graduated and progressive taxes may be imposed on incomes, privileges, and occupations, and exemptions may be provided:

The rule of taxation shall be uniform, and taxes shall be levied upon such property with such classification as to forests and minerals, including or separate or severed from the land, as the legislature shall prescribe. Taxes may also be imposed on incomes, privileges, and occupations, which taxes may be graduated and progressive, and reasonable exemptions may be provided (art. VIII, sec. 1, amended).

(b) *School taxes.*—

The Legislature shall provide by law for the establishment of district schools * * *; and such schools shall be free and without charge for tuition * * *; and no sectarian instruction shall be allowed therein (art. X, sec. 3; see art. X, sec. 4 for town and city school taxes, par. D-1-b).

2. INCOME TAXES

An income tax on individuals and corporations is imposed (art. VIII, sec. 1).

3. DEATH TAXES

An inheritance and an estate tax is imposed. A gift tax is also imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed (art. VIII, sec. 1).

Power is given for the enactment of a general banking law for the supervision of banking business (art. XI, sec. 4).

5. LICENSE TAXES

License taxes are imposed by the State and by municipalities in some instances (art. VIII, sec. 1).

6. POLL TAXES

No poll tax is imposed.

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

The legislature may confer powers of local, legislative and administrative character upon county boards of supervisors:

The Legislature may confer upon the boards of supervisors of the several counties of the State such powers of a local, legislative, and administrative character as they shall from time to time prescribe (art. IV, sec. 22).

2. COUNTY GOVERNMENT

One uniform system of town and county government shall be established:

The Legislature shall establish but one system of town and county government, which shall be as nearly uniform as practicable (art. IV, sec. 23).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(a) *Power to tax.*—Cities and villages are empowered to determine their local affairs. An annual direct tax must be imposed for the retirement of any debt which may be created:

Cities and villages organized pursuant to state law are hereby empowered, to determine their local affairs and government, subject only to this constitution and to such enactments of the legislature of statewide concern as shall with uniformity affect every city or every village. * * * Any county, city, town, village, school district, or other municipal corporation incurring any indebtedness as aforesaid shall * * * provide for the collection of a direct annual tax sufficient to pay the interest on such debt as it falls due, and also to pay and discharge the principal thereof * * * (art. XI, sec. 3, amended).

(b) *School taxes*.—Each town and city shall be required to raise by an annual tax a sum for support of common schools therein, to be not less than one-half the amount received from the school fund:

Each town and city shall be required to raise by tax, annually for the support of common schools therein, a sum not less than one-half the amount received by such town or city, respectively, for school purposes from the income of the school fund (art. X, sec. 4).

WYOMING

Constitutional Provisions Relating to Taxation as of June 30, 1937

(Constitution of 1890, as amended)

A. GENERAL PROVISIONS

1. LEGISLATIVE POWERS

The legislative power is vested in the legislature (art. III, sec. 1).

2. LEGISLATIVE LIMITATIONS

(a) Local or special laws are prohibited in the following cases:

* * * regulating county or township affairs; incorporation of cities, towns, or villages; * * * chartering banks, insurance companies, and loan and trust companies; * * * granting any special or exclusive privilege, immunity, or franchise whatever, or amending existing charter for such purpose; * * * for the assessment or collection of taxes; * * * extending the time for the collection of taxes * * * exempting property from taxation; * * * (art. III, sec. 27).

(b) *Delegation of certain powers prohibited*.—

The legislature shall not delegate to any special Commissioner, private corporation or association, any power to make, supervise, or interfere with any municipal improvement, moneys, or effects * * * to levy taxes or to perform any municipal function whatever (art. III, sec. 37).

(c) *Surrender of taxing power prohibited*.—

The power of taxation shall never be surrendered or suspended by any grant or contract to which the State or any county or other municipal corporation shall be a party (art. XV, sec. 14).

3. ALIEN PROPERTY RIGHTS

No distinction shall ever be made by law between resident aliens and citizens as to the possession, taxation, enjoyment, and descent of property (art. I, sec. 29).

B. SPECIFIC PROVISIONS (STATE)

1. PROPERTY TAXES

(a) *Uniformity and valuation*.—(1) All property, except as is provided in the constitution, shall be assessed uniformly at a just valuation:

All property, except as in this constitution otherwise provided, shall be uniformly assessed for taxation, and the legislature shall prescribe such regulations as shall secure a just valuation for taxation of all property, real and personal (art. XV, sec. 11).

(2) * * * All taxation shall be equal and uniform (art. I, sec. 28).

(3) Lands and improvements thereon shall be valued and taxed separately:

All lands and improvements thereon shall be listed for assessment, valued for taxation, and assessed separately (art. XV, sec. 1).

(4) Idle coal lands shall be assessed and taxed according to value:

All coal lands in the state from which coal is not being mined shall be listed for assessment, valued for taxation, and assessed according to value (art. XV, sec. 2).

(5) Mines and mining claims, in addition to surface improvements, shall be taxed on the gross product in proportion to the value thereof:

All mines and mining claims from which gold, silver, and other precious metals, soda, saline, coal, mineral oil or other valuable deposit, is or may be produced shall be taxed in addition to the surface improvements, and in lieu of taxes on the lands, on the gross product thereof, as may be prescribed by law: *Provided*, That the product of all mines shall be taxed in proportion to the value thereof (art. XV, sec. 3).

(6) Provision is made for a State board of equalization among the duties of which is to equalize the valuation of all property in the several counties for State revenue:

The duties of the state board shall be as follows: To fix a valuation each year for the assessment of live stock and to notify the several county boards of equalization of the rate so fixed * * * to assess at their actual value the franchises, roadway, roadbed, rails and rolling stock and all other property, used in the operation of all railroads and other common carriers, except machine shops, rolling mills and hotels in this state; such assessed valuation shall be apportioned to the counties in which said roads and common carriers are located, as a basis for taxation of such property: *Provided*, That the assessment so made shall not apply to incorporated towns and cities. Said board shall also have power to equalize the valuation on all property in the several counties for the state revenue and such other duties as may be prescribed by law (art. XV, sec. 10).

(7) Lands of citizens residing without the State shall not be taxed at a higher rate than those belonging to residents of the State:

* * * that the lands belonging to citizens of the United States residing without this state shall never be taxed at a higher rate than the lands belonging to residents of this state; * * * (ordinances, sec. 3).

(b) *School taxes*.—The legislature shall provide for a system of public instruction and provide by taxation or otherwise to create and maintain a thorough and efficient system of public schools (art. VII, secs. 1 and 9).

(c.) *Corporations*.—Corporations must be organized under general law. The legislature is given full power of regulation over business corporations:

The legislature shall provide for the organization of corporations by general law. * * *

All powers and franchises of corporations are derived from the people and are granted by their agent, the government, for the public good and general welfare, and the right and duty of the state to control and regulate them for these purposes is hereby declared. The power, rights, and privileges of any and all corporations may be forfeited by willful neglect or abuse thereof. The police power of the state is supreme over all corporations as well as individuals (art. X, secs. 1 and 2; see also art. XV, sec. 15, par B 1 a 6).

(d) *Rate limitation*.—The annual tax for State revenue shall not exceed 4 mills on the dollar of the assessed value of property in the

State, except for the support of educational and charitable institutions, and payment of the State debt:

For state revenue, there shall be levied annually a tax not to exceed four mills on the dollar of the assessed valuation of the property in the state except for the support of state educational and charitable institutions, the payment of the state debt and the interest thereon (art. XV, sec. 4).

(e) *Exemptions*.—(1) Public, charitable, religious property, etc.:

The property of the United States, the state, counties, cities, towns, school districts, municipal corporations and public libraries, lots with the buildings thereon used exclusively for religious worship, church parsonages, public cemeteries, shall be exempt from taxation, and such other property, as the legislature may by general law provide (art. XV, sec. 12).

(2) *Homesteads*:

A homestead as provided by law shall be exempted from forced sale under any process of law * * * but no property from sales, for taxes or for payment of obligations contracted for the purchase of said premises, or for the erection of improvements thereon (art. XIX).

2. INCOME TAXES

An income tax is imposed on corporations.

3. DEATH TAXES

An inheritance tax is imposed.

4. FRANCHISE TAXES

Franchise taxes are imposed.

5. LICENSE TAXES

License taxes are imposed.

6. POLL TAXES

Poll taxes are imposed (art. XV, sec. 5).

C. SPECIFIC PROVISIONS (COUNTIES)

1. PROPERTY TAXES

Except for the payment of county debts, the annual levy for county revenue shall not exceed 12 mills on the dollar. Per capita school tax:

For county revenue, there shall be levied annually a tax not to exceed twelve mills on the dollar for all purposes including general school tax, exclusive of state revenue, except for the payment of its public debt and the interest thereon. An additional tax of two dollars for each person between the ages of twenty-one years and fifty years, inclusive, shall be annually levied for county school purposes (art. XV, sec. 5).

2. TOWNSHIP ORGANIZATION

The legislature may provide for a system of township organization to be adopted by any county upon a majority vote of the citizens thereof (art. XII, sec. 4).

D. SPECIFIC PROVISIONS (MUNICIPALITIES)

1. PROPERTY TAXES

(a) The legislature shall restrict the powers of municipalities as to taxation and indebtedness:

The legislature shall restrict the powers of such corporations to levy taxes and assessments, to borrow money and contract debts so as to prevent the abuse of such power, and no tax or assessment shall be levied or collected or debts contracted by municipal corporations except in pursuance of law for public purposes specified by law (art. XIII, sec. 3).

(b) *Rate limitations*.—Municipal corporations may not levy taxes in any one year to exceed 8 mills on the dollar, except for payment of their public debt:

No incorporated city or town shall levy a tax to exceed eight mills on the dollar in any one year, except for the payment of its public debt and the interest thereon (art. XV, sec. 6).

2. ORGANIZATION

Provision shall be made for organization and classification of municipal corporations. Powers of each class are to be defined:

The legislature shall provide by general laws for the organization and classification of municipal corporations. The number of such classes shall not exceed four (4), and the powers of each class shall be defined by general laws, so that no such corporation shall have any powers or be subject to any restrictions other than all corporations of the same class. Cities and towns now existing under special charters or the general laws of the territory may abandon such charter and reorganize under the general laws of the state (art. XIII, sec. 1).

APPENDIX

STATE CONSTITUTIONAL AMENDMENTS WHICH RELATE DIRECTLY OR INDIRECTLY TO SOCIAL SECURITY OR PUBLIC WELFARE

California.—In 1933 the State of California established an emergency relief commission and authorized a bond issue in what is known as the Unemployment Relief Bond Act of 1933. A special session of the legislature in 1934 submitted a constitutional amendment to authorize an appropriation of \$24,000,000 and the issuance of bonds therefor, the appropriation to be expended for "relief of hardship and destitution due to and caused by unemployment," and the moneys expended prior to July 1, 1933, to be grants by the State without repayment by any grantee. The amendment provided for a relief commission and an administrator, the commission and administrator to take over the powers and duties prescribed in the above-mentioned Unemployment Relief Bond Act of 1933. The amendment also provided for the appointment of county and city relief committees. Section (d) thereof provided:

(d) If, when and during such time as funds are provided or made available by the United States government or any department, officer or agency thereof for relief of hardship and destitution due to and caused by unemployment in this State, when added to the moneys hereby appropriated or otherwise provided by the State and made available for such purposes are or will, in the opinion of the Governor, be sufficient for relief of hardship and destitution due to and caused by unemployment in this State, the Governor may authorize the expenditure of such moneys for the purpose authorized by the United States government or its department, officer, or agency designated for that purpose in cooperation with the State Relief Administrator and the State Relief Commission, such moneys to be expended in accordance with the laws of the State of California.

and section (j) provided:

(j) Whenever the United States government or any officer or agency thereof shall provide pensions or other aid for the aged, cooperation by the State therewith and therein is hereby authorized in such manner and to such extent as may be provided by law from funds other than funds provided for in subdivisions (a) and (e) of this section. Nothing contained in this subdivision (j) repeals, amends, or modifies the Old Age Security Act of the State of California in any manner or in any respect whatsoever, and the power of the Legislature in this regard shall be the same in every respect as if this amendment to the Constitution had not been adopted (art. XI, sec. 10; adopted Nov. 6, 1934).

Colorado.—Authorizes establishment of an old-age pension fund. Provides to set aside and allocate to this fund 85 percent of the net income derived from specified excise taxes and license taxes and also from taxes and licenses of whatever kind upon all malt, vinous, or spiritous liquor; and all income from certain inheritance taxes and incorporation fees, and all unexpended money in any fund of the State, or political subdivision, previously allocated to the payment of an old-age pension fund (art. XXIV; adopted Nov. 3, 1936).

Florida.—Requires the respective counties of the State to provide for aged, infirm, and unfortunate who have claim upon the sympathy of society; but provides also that a general State law may be enacted to provide for a uniform State-wide system for such benefits and to appropriate money therefor (art. XIII, sec. 3; adopted Nov. 3, 1936).

Georgia.—Authorizes the levy of taxes for and provision to be made for old-age assistance to aged persons in need, to the needy blind, to dependent children, and for other welfare benefits (par. 1, sec. 1, art. 7; adopted June 8, 1937).

Authorizes the counties of the State to levy a tax for the same purposes as stated in paragraph next above (par. 2, sec. 6, art. 7; adopted June 8, 1937).

Kansas.—Authorizes the respective counties of the State to provide for those inhabitants who, "by reason of age, infirmity, or other misfortune, may have claims upon the sympathy and aid of society," and provides that the State may participate financially in such aid and supervise and control the administration thereof (art. 7, sec. 4; adopted Nov. 3, 1936).

Authority is also given for the State to provide for unemployment compensation and contributory old-age benefits, and to tax employers and employees therefor. No direct ad valorem tax, however, may be laid on real or personal property for the above-mentioned purposes (art. 7, sec. 5; adopted Nov. 3, 1936).

Kentucky.—

The general assembly shall prescribe such laws as may be necessary for the granting and paying of old persons an annuity or pension (sec. 244a; adopted Nov. 3, 1936).

Louisiana.—The legislature is authorized to establish a system of economic security and social welfare, which may provide financial assistance to aged needy individuals over the age of 65 years; for unemployment compensation; for the aid and welfare of mothers and children, which may include financial assistance; the promotion of health, care, and treatment of crippled children, and for those in such condition as may lead to crippling; for protection and care of homeless, dependent, and neglected children and those in danger of becoming delinquent. Financial assistance to the needy blind is also authorized.

The legislature is empowered to levy, and to authorize the parochial and municipal corporations to levy taxes and licenses and impose charges and contributions to raise funds to carry the foregoing provisions into effect; and with respect to unemployment compensation, levies may be made retroactive as to wages paid after December 31, 1935; provided no ad valorem property tax shall be levied in excess of the existing constitutional limitations. Provisions are also made for issuance of bonds or other evidences of indebtedness to raise funds for the purposes hereinabove set out (art. XVIII, sec. 7; adopted Nov. 3, 1936).

Missouri.—The general assembly may grant or authorize the granting of, pensions to the deserving blind. The assembly shall cause an annual tax of not less than one-half of 1 cent and not more than 3 cents on the hundred dollar valuation of the taxable property in the State to provide a fund for the foregoing purposes. The as-

sembly is also authorized to grant, or authorize the granting of, pensions to persons over 70 years of age (a pending amendment reduces the age limit to 65 years) who are incapacitated from earning a livelihood and are without means of support (art. IV, sec. 47, as amended Nov. 3, 1936).

Nevada.—To enable the State of Nevada, through legislative acts, to participate financially with the Federal Government in providing old-age pensions, the following constitutional provision was repealed on November 3, 1936:

The respective Counties of the State shall provide, as may be prescribed by law, for those inhabitants who, by reason of age and infirmity, or misfortune, may have claim upon the sympathy and aid of society (art. XIII, sec. 3).

Oklahoma.—In 1935 a proposed amendment to article V of the constitution, relating to old-age pensions, was rejected, and an initiated measure on the same subject, adopted at a special election September 1935, was subsequently declared unconstitutional by the State supreme court in February 1936.

A constitutional amendment was again submitted authorizing legislation "for the relief and care of needy aged persons who are unable to provide for themselves, and other needy persons who, on account of immature age, physical infirmity, disability, or other cause are unable to provide or care for themselves." A department of public welfare, to be under control of a public welfare commission, was created for administration of legislation provisions, and it was provided that legislation under the authority of the amendment adopted contemporaneously with the adoption of the amendment "shall have the same form and effect as if same had been initiated and adopted subsequent to the adoption of this amendment" (art. XIV; adopted July 7, 1936).

Pennsylvania.—

No appropriations shall be made for charitable, educational, or benevolent purposes to any person or community nor to any denominational or sectarian institution, corporation, or association; *Provided*, that appropriations may be made for pensions or gratuities for military services and to blind persons twenty-one years of age and upwards and for assistance to mothers having dependent children and to aged persons without adequate means of support (art. III, sec. 18; adopted Nov. 2, 1937).

South Carolina.—The general assembly is authorized to provide for the care of or extend financial assistance to needy dependent children under the age of 16 who would otherwise be deprived of support and care, and to persons who are blind, and to needy individuals who have attained the age of 65 years and who, by reason of age or other infirmities, are unable to support themselves and would otherwise suffer; that any adult person making application for such assistance must show that he or she has been a resident in the State of South Carolina for at least 5 of the last 9 years, and had resided therein continuously for 1 year immediately preceding the date of such application, but that no individual aided under this provision shall receive more than thirty dollars (\$30.00) per month from any public funds (art. 3, sec. 32; adopted Nov. 3, 1936).

Texas.—The legislature is given the power to provide for assistance to the needy blind over 21 years of age and for payment of not to exceed \$15 per month to such persons. And provision is made for acceptance from the Government of the United States of financial

aid for such payment. Specific qualifications as to residence, etc., are required by recipients of assistance (art. III, sec. 51-c; adopted Aug. 23, 1937).

Power is given to provide for assistance to destitute children under the age of 14 years not to exceed \$8 per month for one child nor more than \$12 per month for such children of any one family. Residential and other restrictions may be imposed, and the amount of State funds which may be expended per year may not exceed \$1,500,000. Authority is also given to accept financial assistance from the Government of the United States (art. III, sec. 51-d; adopted Aug. 23, 1937).

Authority is also given the legislature to provide for old-age assistance and for the payment not to exceed \$15 per month to bona fide citizens who are over the age of 65 years and who can meet prescribed conditions as to residence, character, etc. As in the foregoing amendments, authority is given to accept financial assistance from the Federal Government (art. III, sec. 51-b; adopted Aug. 24, 1935).



